

STATE OF NORTH CAROLINA
WAKE COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
24 CVS _____

SAVE SAU COALITION, INC.;
HENRY DEBNAM; and JOHN
LARKINS,

Plaintiffs,

v.

THE BOARD OF TRUSTEES OF
SAINT AUGUSTINE'S
UNIVERSITY; BRIAN
BOULWARE, in his individual
capacity; JAMES E.C. PERRY, in
his individual capacity; HADLEY
EVANS, JR., in his individual
capacity; JOSEPH LYNN, in his
individual capacity; DR. LEON D.
CALDWELL, in his individual
capacity; SOPHIE GIBSON, in her
individual capacity; ANTONIO
KNOX, in his individual capacity,

Defendants.

COMPLAINT

Plaintiffs Save SAU Coalition, Inc. ("Save SAU"), Henry Debnam, and John Larkins, by and through undersigned counsel and pursuant to N.C. Gen. Stat. §§ 1-253 *et seq.*; 55A-1-60; 55A-7-40; 55A-8-10; 55A-8-30; and 55A-8-31, file this Complaint against Defendants the Board of Trustees of Saint Augustine's University ("BOT"), as well as individual Trustees Brian Boulware, James E.C. Perry, Hadley Evans, Jr., Joseph Lynn, Dr. Leon D. Caldwell, Sophie Gibson, and Dr. Antonio Knox (each in their individual capacities).

In support of this Complaint, Plaintiffs allege as follows:

INTRODUCTION

1. For almost 160 years, Saint Augustine’s University (“SAU”) has been a beacon of pride and opportunity for the Black community in Raleigh, in North Carolina, and across the country.

2. Founded just after the Civil War, SAU has been an educational stepping stone for generations of students who went on to embody the school’s motto—“Transform. Excel. Lead.”

3. SAU’s fortunes have risen and fallen with the times, but it has always persevered. Through the violent racism of the post-Reconstruction South, SAU persevered. Through the ugliness of Jim Crow, SAU persevered. Through the tumult of the Civil Rights Movement, SAU persevered.

4. Having survived so much for so long, SAU now teeters on the edge of chaos, brought to its knees by the misfeasance, malfeasance, and utter neglect of its Board of Trustees, and especially its two most recent chairmen, Defendants Brian Boulware and James Perry.

5. In its darkest hour—when SAU most needs a competent, engaged Board of Trustees with smart, moral leadership—the university is rudderless. Led by a dictatorial and vindictive chairman who is more concerned with lining his own pockets than leading the university, the Board has gradually insulated itself from criticism, dissent, or oversight.

6. By driving away board members who might ask hard questions or look underneath all the rocks, the Board of Trustees is now a corrupt echo chamber—a modern-day Nero playing his fiddle while Rome burns.

7. The Save SAU Coalition is a group of caring and talented SAU alumni, parents, students, and others with a special interest in the health and future of the university. Dr. John Larkins and Mr. Henry Debnam are former board members whose pleas for reform were ignored. They all stand ready to support and save SAU. The task is daunting, but they are ready to fight for the future.

8. Each of the Defendant Trustees must go, and they must go now. The only way to end the corruption and neglect that has decimated SAU is a root-and-branch house cleaning of the BOT. Anything less than that will leave SAU's future to the lenders and property developers, as well as their cronies on the current BOT, who will auction off SAU brick by brick to the highest bidder.

9. Enough is enough. It's not too late to save SAU, but the work must start immediately.

PARTIES

10. Plaintiff Henry Debnam is a 1972 graduate of SAU and former member of the SAU BOT from 2017 to 2021. He is a resident of Cumberland County, North Carolina.

11. Plaintiff Dr. John Larkins is a 1966 graduate of SAU and former member of the SAU BOT from in or about February 2019 to June 2020. He is currently a resident of Flagler County, Florida.

12. Plaintiff Save SAU Coalition, Inc. is a North Carolina corporation that is an umbrella organization of SAU alumni and support organizations that have joined together in order to prevent SAU from shutting down due to mismanagement by the BOT. It also includes current students¹ and parents of SAU alumni and current students who paid tuition to SAU. Save SAU's purpose is to deliver the kind of institutional change sought by this action, namely, removal of the board, in hopes of correcting SAU's course. Save SAU has the legal authority to bring this action.

13. Defendant the Board of Trustees of Saint Augustine's University is the governing body of Saint Augustine's University. The BOT meets and operates in Wake County, North Carolina.

14. Defendant Brian Boulware is the current Chair of the SAU BOT. Upon information and belief, Boulware is a resident of Tyrone, Georgia.

15. Defendant James E.C. Perry is the immediate past-Chair and current member of the SAU BOT. Upon information and belief, Perry is a resident of Longwood, Florida.

16. Defendant Hadley Evans, Jr., is a current member of the SAU BOT. Upon information and belief, Evans is a resident of Mecklenburg County, North Carolina.

¹ For purposes of this Complaint, "current students" are defined as students that were enrolled at SAU as of December 5, 2023, when the Southern Association of Colleges and Schools Commission on Colleges ("SACSCOC") Board of Trustees, SAU's institutional accreditor for quality assurance in higher education, voted to withdraw SAU's accreditation.

17. Defendant Joseph “Joe” Lynn, is a current member of the SAU BOT. Upon information and belief, Lynn is a resident of Wake County, North Carolina.

18. Defendant Dr. Leon D. Caldwell is a current member of the SAU BOT. Upon information and belief, Caldwell is a resident of North Laurel, Maryland.

19. Defendant Sophie Gibson is a current member of the SAU BOT. Upon information and belief, Gibson is a resident of Norcross, Georgia.

20. Defendant Dr. Antonio “Tony” Knox is a current member of the SAU BOT. Upon information and belief, Knox is a resident of Wake County, North Carolina.

21. Plaintiffs reserve the right to add other trustees (both former and current) as additional defendants as the facts and circumstances may warrant.

22. Defendants Boulware and Perry are referred to herein as the “Complicit Trustees.” Defendants Evans, Lynn, Gibson, Caldwell, and Knox are collectively referred to herein as the “Aiding and Abetting Trustees.” The Complicit Trustees and the Aiding and Abetting Trustees are referred to collectively as the Individual Defendants.

JURISDICTION AND VENUE

23. This Court has subject matter jurisdiction over this action pursuant to N.C. Gen. Stat. §§ 1-253 *et seq.* and 7A-243. With regard to each claim below, the amount of damages pled is in excess of the Superior Court jurisdictional amount designated in N.C. Gen. Stat. § 7A-243.

24. This Court has personal jurisdiction over the parties to this action pursuant to N.C. Gen. Stat. § 1-75.4, because, among other reasons and as further alleged below, Defendant BOT is part of a domestic non-profit corporation and the Individual Trustees performed services for Plaintiffs in their roles as Trustees within this State.

25. Venue is proper in Wake County, pursuant to N.C. Gen. Stat. § 1-79(a), because Defendant BOT is a domestic corporation with its principal place of business in Wake County, North Carolina.

26. Plaintiffs each have standing to bring these claims.

27. Save SAU's members include SAU alumni, current and former SAU staff, and current SAU students. Neither the claims asserted in this lawsuit nor the relief sought requires participation of Save SAU's individual members in the lawsuit.

28. All of Save SAU's membership constituencies have been individually harmed by the misfeasance, malfeasance, and neglect of the SAU BOT and SAU's resulting loss of accreditation. For example, and without limitation:

- a. Save SAU's alumni members and current student members face the devaluation and diminishment of their degrees from SAU as a result of the school's loss of accreditation. This is true for Dr. Larkins and Mr. Debnam individually, as well. Having received (or having attended school to receive) an SAU degree that no longer has the imprimatur of accreditation will impact these Save SAU members' job prospects and chances at admission to graduate programs;

- b. Loss of accreditation will cause current students to lose the ability to receive federal school loans that are critical to allowing these students to attend college;
- c. Loss of accreditation also negatively impacts the parents of current and former students, who are also Save SAU members and paid tuition with the expectation that their children would receive a college degree from an accredited institution of higher learning;
- d. Save SAU's members, including Dr. Larkins and Mr. Debnam individually, have donated money to SAU and have been forced to watch as Defendants' breaches and neglect have wasted and misappropriated those funds.

29. In addition to the individual harms detailed herein, Plaintiffs each have a special interest in having the Court grant the relief they seek on behalf of SAU.

30. As further detailed below, the BOT has systematically eliminated any dissenting voices from the board. At the first moment any board member, or potential board member, indicates a dissenting view to that of Boulware, they are met with such derision that they either choose to resign or are otherwise excised from the board, leaving Plaintiffs as some of the only people left who can speak up for the university, its students, and its faculty and staff.

31. Even in the days leading up to the filing of this Complaint, upon information and belief, Boulware acted irrationally and inappropriately, shutting off

debate, ignoring or belittling professional staff, and generally managing SAU's affairs like a third-rate dictator.

32. Plaintiffs have tried every avenue to resolve the issues raised in this Complaint to no avail. They have published resolutions asking the BOT to effect immediate change; they have complained to the North Carolina Department of Justice in hopes that the Attorney General will investigate; they have made clear that absent immediate change, a lawsuit was coming.

33. In the face of each of these actions, the BOT, and Boulware in particular, doubled down, daring Plaintiffs to take action. If Plaintiffs don't take this action, it seems no one else will.

34. Plaintiffs do not seek to recover any monetary damages from SAU in this action. To the extent discovery reveals embezzlement, constructive fraud, or other similar misconduct by current or former Trustees, Plaintiffs reserve the right to amend this Complaint to recover for SAU all monies owed to SAU.

FACTS

I. Saint Augustine's University is one of the oldest historically black colleges and universities in the country with a storied legacy.

35. In 1867, the Reverend J. Brinton Smith, D.D., secretary of the Freedman's Commission of the Episcopal Church, an organization dedicated to retaining and increasing Black American membership in the Episcopal Church post-Civil War, and the Right Reverend Thomas Atkinson, D.D., Bishop of the Diocese of North Carolina, chartered the Saint Augustine's Normal School and Collegiate Institute in Raleigh, North Carolina to educate former slaves.

36. The Normal School began operating on January 13, 1868, and in 1893, the Normal School's name was changed to Saint Augustine's School. One of the School's most prominent alumni was Dr. Anna Julia Cooper, an educator, writer, activist, and feminist scholar who was born an enslaved person in Raleigh in 1858, but went on to receive her primary and secondary education from the School and ultimately became the fourth Black American woman to earn a doctoral degree.²

37. In 1896, the School expanded its mission by founding the St. Agnes Hospital and Training School for Nurses to provide medical care for Black Americans. St. Agnes was the first school of nursing in North Carolina for Black American students and served as the only hospital in the state that served Black Americans until 1961.³

38. In 1919, the School's name was changed again to Saint Augustine's Junior College, and the school offered post-secondary education for the first time that year. In 1927, the junior college became a four-year collegiate institution. Accordingly, it was renamed Saint Augustine's College in 1928. The College awarded its first baccalaureate degrees in 1931.

39. In addition to a tradition of academic excellence, the College also has a storied athletic history, especially when it comes to track and field. The Saint

² *History*, Saint Augustine's University, <https://www.st-aug.edu/history/> (Last visited May 29, 2024) and *Polymath and Centenarian Anna Julia Cooper of Raleigh*, North Carolina Department of Natural and Cultural Resources, <https://www.dncr.nc.gov/blog/2016/02/27/polymath-and-centenarian-anna-julia-cooper-raleigh> (Last visited May 29, 2024).

³ W. Montague Cobb, *Saint Agnes Hospital, Raleigh, North Carolina, 1896-1961*, *Journal of the National Medical Association*, Vol. 53, No. 5 (Sept. 1961), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2641988/pdf/jnma00693-0004.pdf> (Last Visited May 29, 2024).

Augustine Falcons and Lady Falcons have won 39 National Collegiate Athletic Association Division II National Championships under the leadership of legendary Coach George Williams.⁴ Mr. Williams (also the 2004 Head Coach for the United States Olympic Track and Field team) ranks third all-time among coaches for most championships in NCAA history, regardless of division.⁵

40. On August 1, 2012, the College became Saint Augustine's University.⁶

II. Mr. Debnam and Dr. Larkins seek to keep Saint Augustine's storied legacy alive for future generations.

41. Henry Debnam has deep ties to SAU. Not only did he graduate from SAU in 1972, but he was also born on campus at St. Agnes. While at SAU, Mr. Debnam ran track under the leadership of Coach Williams. Throughout his successful career as a health services executive, Mr. Debnam has remained an actively engaged alumnus of SAU. Mr. Debnam chose to increase his level of engagement with SAU by serving on the BOT from 2017 to 2021.

42. Dr. John Larkins also has deep ties to SAU. Dr. Larkins is a 1966 graduate of SAU who was set to fly combat missions in Vietnam until the Episcopal Church intervened and helped him to matriculate at SAU instead. Dr. Larkins credits that intervention with not only changing the course of his life, but also possibly

⁴ *Black History Falcon Facts: Track & Field Coaching Legend George Williams*, Saint Augustine's University Office of Sports Information (Feb. 28, 2021 6:18 PM), <https://saintaugfalcons.com/news/2021/2/28/mens-cross-country-black-history-falcon-facts-track-field-coaching-legend-george-williams.aspx>.

⁵ Saint Augustine's University Office of Sports Information, *supra*, note 4.

⁶ Saint Augustine's University, *supra*, note 2.

extending it. Like Mr. Debnam, Dr. Larkins has been an active participant in SAU's Alumni Association since the 1970s, first serving as a chapter President. Dr. Larkins, a career civil servant at the federal level, has brought his experience as Executive Director for the Advisory Committee on Reactor Safeguards and the Advisory Committee on Nuclear Waste, two offices of the United States Nuclear Regulatory Commission, to his work at SAU. He eventually became President of the SAU National Alumni Association ("NAA") and then took over for the sitting Alumni Trustee on the BOT in February 2019. Dr. Larkins served on the BOT until June 30, 2020.

III. SAU's corporate governance structure when Mr. Debnam and Dr. Larkins joined the Board of Trustees

43. After SAU became a University in 2012, its bylaws were modified to reflect the new name as well as the new corporate structure (the "2013 Bylaws"; attached as **Exhibit A**). Per the 2013 Bylaws, the governing body of SAU was the Board of Trustees, which would consist of no less than 15 and no greater than 25 members that were elected or ratified by the Board. Exhibit A, Article II, Section 1.

44. There were five types of trustee membership—Regular, Episcopal, Student, Alumni, and Honorary. *Id.* The 2013 Bylaws required Regular trustee members to be elected to the BOT, and that at least three of them be alumni of SAU. Exhibit A, Article II, Section 2, at ¶ A. Per Board Policy 1006, "Regular Trustees shall be elected for a term of four (4) years by a majority vote of the Trustees in office at the time." Exhibit A, pg. 24.

45. The 2013 Bylaws further provided that the Episcopal Trustees category would include the Bishop of the Diocese of North Carolina for the Protestant Episcopal

Church in the United States of America for as long as they were the Bishop of the Diocese of North Carolina. Exhibit A, Article II, Section 2, at ¶ B(1).

46. The Student Trustees category would include a Student Trustee that was a currently enrolled, full-time student in good academic standing that must be elected by the SAU student body annually. Exhibit A, Article II, Section 2, at ¶ B(2).

47. The Alumni Trustees category was to include one member that was an alumna/alumnus in good standing with and elected by the NAA. Exhibit A, Article II, Section 2, at ¶ B(3).

48. Ratification of a Trustee was “by majority vote of the Board,” and “[t]he Board reserve[d] the right to deny ratification to any Trustee.” Exhibit A, Board Policy 1014, pg. 28. Board Policy 1014 went on to provide that “[i]f ratification is denied, the Board shall provide rationale to the selecting entity.” *Id.*

49. Other than Student Trustees, the 2013 Bylaws said that “Trustees may be elected for a term of four (4) years at any regular or special meeting of the board” and that “Trustees may not be elected for more than two (2) consecutive terms on the Board in the same category of trustee membership except as provided in ARTICLE II – Section 6 of these Bylaws [addressing vacancies on the board].” Exhibit A, Article II, Section 3, at ¶ A.

50. Regarding ratified Trustees, the 2013 Bylaws simply said “Trustee candidates shall be presented for ratification at the annual meeting of the board” and that “[t]erms for Trustees elected or ratified at any regular or special meeting shall begin immediately upon election or ratification.” Exhibit A, Article II, Section 3.

51. In addition to addressing how to become a member of the BOT, the 2013 Bylaws also addressed how to remove a Trustee from the BOT. The 2013 Bylaws provided that:

Trustees may be removed from the Board of Trustees at any time for cause by the vote that would be required to elect the Trustee to the Board of Trustees. Just cause may include, but is not limited to, excessive absences from meetings of the Board, engaging in speech which defames the reputation of the University, involvement in an enterprise that constitutes a conflict of interest, engaging in felonious criminal conduct, or conduct that constitutes moral turpitude.

Exhibit A, Article II, Section 5 (emphasis added).

IV. Perry and Boulware breach their fiduciary duties.

52. Mr. Debnam joined the Board in 2017, and Dr. Larkins joined in 2019. Mr. Debnam was elected to the Board and ratified as a Regular Trustee, and Dr. Larkins served as the Alumni Trustee elected by the NAA and ratified by the Board.

53. When Mr. Debnam and Dr. Larkins first joined the BOT, there were 16 trustees total, and Perry served as Chair.

54. Boulware, an SAU alumnus and businessman who graduated in the 1990s, served as a Regular Trustee as well.

55. Both Mr. Debnam and Dr. Larkins joined the BOT with the hopes that they would be joining a group of like-minded individuals whose focus was on revitalizing the school. Instead, almost immediately, they discovered that the board was divided between those seeking to improve SAU, and those seeking to use their

position of authority over SAU to serve their own interests, with the latter camp increasing in size and power over time.

56. At first, it appeared to Dr. Larkins and Mr. Debnam that the board was fairly evenly divided into two camps—one led by Perry and Boulware that sought to use SAU as a personal piggy bank and that was not interested in institutional governance, and the other, led by Mr. Debnam and Dr. Larkins, that sought to provide responsible institutional governance and revitalize SAU.

57. This dynamic soon changed. Although Perry named Mr. Debnam Chair of the Nominating Committee, Perry filled the rest of the membership of the committee with Trustees aligned with Perry.

58. When four Episcopal Trustees who were part of efforts to improve conditions at SAU came before the Nominating Committee for renewal of their terms as Trustees, Mr. Debnam was shocked to find that the other members of his committee (who were aligned with Perry) voted down their bids with no justification given.

59. As a result, the group looking to responsibly lead and revitalize SAU lost four members, while Perry and Boulware's camp of opportunists grew by four members, leaving those who wished to govern SAU responsibly outnumbered.

a. Boulware and Perry ignore conflicts of interest to benefit the Hughes Company at the expense of SAU.

60. With this advantage in numbers, Perry and Boulware soon chose to operate outside of SAU's institutional governance framework. For example, in the summer of 2019, during Mr. Debnam's second year and Dr. Larkins's first year on the BOT, Boulware, whom Perry had chosen to serve as chair of the BOT's Buildings and

Grounds Committee, decided on his own initiative to handle the renovation of the SAU dormitories (which University staff had identified as needing major repairs before they would be serviceable for new and returning students for the Fall 2019 semester).

61. SAU Interim Vice President for Enrollment Management and Student Services Dr. Ronald Brown recommended to the BOT that all new incoming students be housed in the newest residential complex (Falkcrest), and move the upperclassmen to off-campus housing while the necessary renovations took place. Rather than take this sound recommendation, Boulware, of his own accord, hired the Hughes Company, Inc., a Georgia-based construction firm that, upon information and belief, he had also hired around the same time to build him a cigar bar in Atlanta, Georgia.

62. Upon information and belief, in violation of board policy, Boulware did not disclose this conflict of interest to SAU.

63. Per Board Policy 3032, in effect at the time, “[a]ll contracts for supplies, materials, equipment, or services involving an expenditure of \$10,000 or more shall be given to the lowest responsible bidder after due advertisement, except those contracts which are by their nature not adapted to award by competitive bid as determined by the Board.” Exhibit A, pg. 96.

64. Boulware flagrantly ignored Board Policy 3032, hiring the Hughes Company without a formal bidding process and without a formal contract with SAU. Boulware ultimately caused SAU to pay Hughes \$375,000 for work that was not completed.

65. While it appears that the BOT may have had several discussions about the conditions of the dormitories and the need to renovate them, and even about the Hughes Company's hiring, there is no record of the Board ever having voted to: (a) approve a bid from Hughes Company, (b) approve a contract with Hughes Company, or (c) determine that the dormitory renovation was a project "not adapted to award by competitive bid."

b. Boulware and Perry seek to fabricate board minutes related to the Hughes Company transaction.

66. The malfeasance demonstrated by Boulware's hiring of the Hughes Company to complete the dorm-renovation project was compounded by Boulware, Perry, and interim SAU President Dr. Maria Lumpkin's efforts to cover it up.

67. Lumpkin is a friend and former SAU classmate of Boulware's.

68. SAU received a letter from the Southern Association of Colleges and Schools Commission on Colleges ("SACSCOC"), which is an institutional accreditor for quality assurance in higher education. In the letter, SACSCOC asked SAU for its response to at least two allegations of BOT misconduct that SACSCOC had received. One of those allegations described in detail the saga of Boulware's hiring, supervision, and involvement with the Hughes Company and the dorm renovation project.

69. SAU formed a team to respond to the SACSCOC letter, and one of its members, Debra Clark Jones, Vice President of University Advancement and External Affairs, found the allegations to be credible based on her experiences with the Board. On April 4, 2020, she even wrote a trustee to request that the Board investigate her findings and SACSCOC's.

70. In that letter, Ms. Clark Jones described in detail how Boulware, Perry, and then-Interim President Dr. Maria Lumpkin, conspired together to “modify” the BOT minutes such that it would appear that the Board had given its formal approval to the Hughes Company dorm-renovation project.

71. In her letter, Ms. Clark Jones stated that on a call with Boulware, Perry, Dr. Lumpkin, and Ed Patrick, SAU Vice President of Business and Administration, discussing the response to the SACSCOC letter, Perry suggested, “We should just amend the minutes of the April 18th [2019] meeting.”

72. Ms. Clark Jones asked if Perry and Boulware intended to call a special meeting of the Board in order to amend the minutes and was answered with a definitive “No.”

73. Ms. Clark Jones stated her objections to amending the minutes without a proper vote of the board on the call, and Boulware responded to her that she could be “right or [she] can be dead right.”

74. Ms. Clark Jones was not sure whether to take this response as a veiled threat, but no one else responded to Boulware’s statement on the phone. Instead, Perry asked Ms. Clark Jones if she had a copy of the April 18, 2019 Board minutes in a format where they could be edited, and if she had already shared those Board minutes with Dr. Joseph Silver, an outside consultant that SAU had engaged to assist it with responding to the SACSCOC letter.

75. Ms. Clark Jones responded that she had not shared the minutes with Dr. Silver, and then shared an editable copy of the April 18, 2019 Board minutes with everyone on the call, including Perry.

76. The call continued. Ms. Clark Jones was asked to “close [her] ears” when the discussion turned to how to amend the minutes to align with the signature dates on the Hughes Company contract in order to “make the dates work.” Ms. Clark Jones responded that rather than close her ears, she would simply disengage from the call.

77. Later that night, Dr. Lumpkin sent Ms. Clark Jones a “modified” version of the April 18, 2019 Board minutes. That version included the following language which was *not* included in the original Board minutes:

The Board went into Executive Session to discuss a personnel and contractual matter. After coming out of Executive Session, the board approved entering into a contract with Hughes Brothers Construction for the renovation of the residence halls in the amount of \$500,000 or less of their estimate.

78. Dr. Lumpkin asked Ms. Clark Jones to include the “modified” Board minutes in SAU’s response to SACSCOC. While Ms. Clark Jones reluctantly included them in a draft SACSCOC response report, ultimately, these post-dated Board minutes would not be included in the final SACSCOC response report for the reasons discussed *infra*.

79. On a status call with Dr. Silver, Dr. Lumpkin told him that SAU had Board minutes to show board approval of the Hughes Company transaction; Ms. Clark Jones and the SAU staff responsible for putting together the SACSCOC response report), however, said that no such minutes existed.

80. Dr. Silver questioned the validity of the Board minutes discussed by Dr. Lumpkin, Boulware, and Perry, and voiced strong concerns. Between Dr. Silver's concerns and the concerns of the response report team, the participants in the call decided to remove the "modified" Board minutes from the draft SACSCOC response report, and they were not included in the final response report.

81. Not only was it improper of Perry and Boulware to attempt to create after-the-fact minutes showing Board approval of the Hughes Company transaction when there was none, but their actions, had they succeeded, would have put SAU at risk of losing its accreditation for making a dishonest, incomplete, and inaccurate disclosure to SACSCOC.

82. "[A]s a condition of candidacy or membership in SACSCOC, the institution agrees to document its compliance with the requirements of the Principles of Accreditation; to comply with SACSCOC requests, directives, decisions and policies; and to make complete, accurate and honest disclosure to SACSCOC." *Integrity and Institutional Obligations to SACSCOC: Policy Statement*, Southern Association of Colleges and Schools Commission on Colleges, (Last Viewed May 29, 2024) <https://sacscoc.org/app/uploads/2019/07/integrity.pdf>.

c. Boulware and Perry again ignore conflicts of interest to benefit the Hughes Company at the expense of SAU.

83. At some point toward the end of 2019 and beginning of 2020, SAU received a federal grant to renovate its Tuttle Building, which houses SAU's Public Health and Exercise Science program. Originally, SAU retained Structure Building Company to execute the project, but in January 2020, Dr. Maria Lumpkin, then Chief-

Operating Officer of SAU (and friend of Boulware) fired Structure Building Company in order to bring on SBC Contracting, Inc. (“SBC”) to finish the project. After this change, the Project Manager for the project became Thomas Peden of the Hughes Company—the same Hughes Company that had been responsible for the unfinished, extra-contractual dormitory renovation project.

84. Additionally, the Hughes Company became responsible for paying SBC as if SBC were a subcontractor and not the general contractor supposedly responsible for the whole project.

85. Upon information and belief, the Hughes Company did not have a North Carolina general contractor’s license when it began work on the Tuttle Building, nor was it working pursuant to a formal contract. Furthermore, upon information and belief, just as with the Hughes Company’s work on the dormitories, the BOT was never asked to approve the hiring of the Hughes Company, and no open bid process was initiated.

86. Ultimately, the Hughes Company did enter into a formal contract with SAU for the Tuttle Building renovation in or around April of 2020. The Hughes Company’s Project Manager, Thomas Peden, sent a contract for SAU’s review in March of 2020. In April of 2020, the day after Ms. Clark Jones submitted her letter to one of the Trustees, then-Chief Financial Officer for SAU, Edward Patrick, directed Peden to formalize the relationship between SAU and the Hughes Company because SAU needed to have a contract on file. Before the month was out, Peden had signed a

contract and Patrick had directed him to drop copies off at the house of Dr. Lumpkin, then SAU Interim President.

87. Similar to the Board minutes that Dr. Lumpkin, Boulware, and Perry attempted to fabricate, this Hughes Company contract was backdated to January 9, 2020 so that Mr. Patrick could have on file a fully executed contract with the Hughes Company for a little more than \$635,000.

88. Throughout the time that the Hughes Company became involved in and then finally documented its contract with SAU for the Tuttle Building project, Boulware and Perry were kept abreast of developments. However, upon information and belief, neither Boulware nor Perry raised any of the Hughes Company's involvement in the Tuttle Building project for Board approval nor did they disclose Boulware's ties to the Hughes Company, violating both the 2013 Bylaws and Chapter 55A.

d. For a third time, Boulware and Perry ignore conflicts of interest to benefit the Hughes Company at the expense of SAU.

89. In the Spring of 2020, SAU won a federal grant for emergency renovations of its Martin Luther King, Jr. Student Center, Gordon Student Health Center, and Pennick Science Center (collectively the "MLK Student Union") following storms that had damaged those buildings. Similar to the Tuttle Building project, SAU engaged in a formal bidding process to retain a contractor to perform the work on the MLK Student Union. Four companies bid for the work, and SAU staff selected the D.A. Everett Construction Group to execute the project.

90. In June 2020, SAU staff presented their selection to the BOT. Boulware, as Chair of the Building and Grounds Committee, led the charge in criticizing D.A. Everett, complaining that the company was too small to handle a \$4 million project like the renovation of the MLK Student Union. In response, D.A. Everett obtained a \$20 million surety bond to prove they had the financial resources to handle the project. Despite this showing, the BOT still initiated a plan to replace D.A. Everett with Boulware's favorite contractor, the Hughes Company, and had done so by March 2021.

91. Upon information and belief, the BOT did not have SAU Staff conduct a full-fledged formal bidding process after it decided to reject D.A. Everett for the MLK Student Union project. Instead, the Hughes Company, which, upon information and belief, was not licensed in North Carolina, created an arrangement to use a North Carolina-licensed company to contract with SAU for the MLK Student Center project but had SAU pay the Hughes Company directly, and then in turn the Hughes Company paid the North Carolina licensed company. Similar to what happened with the Tuttle Building, while the contract may have been in another contractor's name, the money trails all led to the Hughes Company.

e. The Aiding and Abetting Trustees prove themselves unwilling to hold Boulware and Perry accountable.

92. In 2020, the BOT Investigation Committee initiated an investigation of allegations about Trustees Boulware and Perry's misdeeds in reaction to complaint letters like that of Ms. Clark Jones.

93. Mr. Debnam asked to be named to the Investigation Committee and was surprised when he was. The Investigation Committee hired an attorney to conduct the

investigation and sent out a letter promising SAU's core constituencies that the investigation would be "transparent" and that the outcome of the investigation would be shared with all alumni.

94. The investigation was essentially a sham. Upon information and belief, none of the SAU faculty or staff that had any knowledge of Boulware and Perry's misdeeds were interviewed, nor was cooperation with the investigation made mandatory, as a result, many individuals with relevant knowledge opted not to participate.

95. The investigator only gave an oral report of the findings to the Investigation Committee and said that due to the limited participation of SAU staff in the investigation, it was not possible to substantiate or disprove any allegations. Mr. Debnam was the only member of the Investigation Committee to request that the investigator provide their findings in writing. The investigator and rest of the Investigation Committee thought it best to avoid doing so lest the document invite further scrutiny of SAU and the BOT.

96. The investigators never gave a report of the findings to the full BOT. Instead, without placing the item on the BOT meeting agenda, the Investigation Committee Chair simply announced to the full BOT that the investigation had concluded and that the allegations were unsubstantiated. The Investigation Committee Chair did not explain to the BOT that the investigation was inconclusive due to lack of cooperation.

97. Accordingly, the BOT was never called to vote on whether or not to remove Boulware or Perry.

98. The findings of the investigation were never shared with SAU's alumni.

99. In short, by failing to fully investigate the allegations against Boulware and Perry, the BOT abdicated its fiduciary duties to SAU and its constituent communities.

f. Boulware acts as “loan broker” for SAU.

100. At some point between 2021 and 2023, Boulware took it upon himself to negotiate a \$7 million loan for SAU with Bank OZK, a regional bank based in Arkansas, with which, upon information and belief, Boulware was also negotiating his own loan at the same time. Boulware did not fully disclose his existing business relationship with the bank.

101. The Board voted on and approved the transaction. However, Boulware did not recuse himself from the vote, despite his ties to Bank OZK.

102. When the loan closed, Frank Brown, Bank OZK's Executive Vice President Market Executive, Commercial Banking emailed SAU leadership, writing:

We have been told that Trustee Boulware had an agreement with the board to be compensated for his brokerage of the loan to Bank OZK in the amount of \$28,000.00. We received neither an invoice prior to closing on behalf of Mr. Boulware nor authorization of the board to collect this fee on his behalf. At this point, we are unable to process such an invoice and settle this since the loan has closed and funds have already been provided to our counsel and held in escrow.

103. Mr. Brown went on to share that Boulware had told him that Boulware had said that the brokering fee would ultimately go back to the University, and

suggested to SAU leadership that the University would be responsible for working out payment with Boulware. In other words, Boulware was apparently expecting SAU to pay him a broker's fee for arranging the loan that he voted to approve.

104. Upon information and belief, Boulware's request for a loan-brokering fee was never disclosed to the full Board. Instead the Chair of the Finance Committee, Trustee Hadley Evans, told SAU officials that the University needed to find a way to pay Boulware the \$28,000 fee.

105. All of this behavior, both executed and contemplated, ran afoul of SAU's Bylaws then in force, Chapter 55A, and the board's fiduciary duties to the school.

g. Boulware steers a \$75 million development project to Carter, another of his cronies.

106. In the fall of 2022, SAU conducted a campus master-planning process that eventually resulted in a \$75 million development project. Boulware invited a company called Carter & Associates, LLC to SAU's campus to explore opportunities to collaborate.

107. During the meeting between Carter and SAU staff, Boulware not only appeared unannounced, but demanded that the SAU economic development executive present share proprietary information with Carter in violation of SAU's Request for Proposal process. Perry, who was also present at the meeting, seconded Boulware's demand.

108. Additionally, during that same meeting, Boulware made a point to emphasize to the Carter team that a mixed-use development project Carter was building in Atlanta would make a great home for a second location of Boulware's cigar

bar. That same SAU executive commented to SAU leadership that Boulware's statement about his second cigar bar location felt like an invitation for a "quid pro quo."

109. Ultimately, there was no RFP process for this \$75 million campus development project. Instead, several weeks after their complaint to SAU leadership, the SAU economic development executive found themselves on a videoconference with members of the SAU Executive Team and Trustee Boulware, all of whom were together at Carter's Atlanta office (except for the executive), and it appeared to them that Carter had been chosen to execute SAU's \$75 million development project. Notably, SAU and Carter shared the same legal counsel.

h. Boulware attempts to "reserve" a SAU building for a new cigar bar location.

110. The SAU economic development executive also reported that during the time they served in that role, there were two occasions on which Boulware instructed them not to lease a SAU-owned building at 402 Hill Street in Raleigh so that he could use it to open another location for his cigar bar.

111. At the time that Boulware issued these instructions, he was the sitting chair of BOT's Facilities Committee and Vice Chair of the BOT. Boulware's plan to use University property to open a new location for his personal business was inappropriate and unlawful.

V. The BOT insulates itself from accountability and dissent.

112. After news of the Hughes Company transaction and other various misdeeds of the BOT reached the NAA, the NAA decided to take a vote of "no confidence" in the BOT in September 2020.

113. At this time, Dr. Larkins, the NAA representative on the Board, chose not to seek reappointment as a Trustee due to the corruption and toxic dynamics of the BOT.

114. In the wake of the NAA's no-confidence vote, the BOT changed its bylaws to further insulate itself from accountability and dissent.

115. Under the 2013 Bylaws, Alumni Trustees were required to be "elected" by the NAA and then simply ratified by the BOT. Exhibit A, 2013 Bylaws, Article II, Section 2(B)(3).

116. In the April 30, 2021 revisions to the Bylaws, the BOT modified the Alumni Trustee category of ratified trustees. ("2021 Bylaws"; attached as **Exhibit B**)

117. Pursuant to the revisions, instead of the NAA electing a representative Alumni Trustee that the BOT would in turn ratify, the BOT would only *consider* ratifying an Alumni Trustee: "[f]or so long as The National Alumni Association of Saint Augustine's College (the 'National Alumni Association') is determined by the Board to be in good standing with the University." Exhibit B, 2021 Bylaws, Article II, Section 3, at ¶ B(3).

118. Moreover, the NAA's chosen representative was only "recommended" to the BOT, giving the BOT additional authority to reject NAA appointees.

119. Further, the BOT modified the terms of ratified Trustees such that all ratified Trustees would only serve one-year terms while regular, elected Trustees would serve four-year terms. Exhibit B, 2021 Bylaws, Article II, Section 4.

120. The 2021 Bylaws also heightened the threshold for removing a Trustee from the Board. Per the 2013 Bylaws, a Trustee could be removed with a simple majority vote, but under the 2021 Bylaws, a two-thirds majority vote would be required to remove a Trustee from the Board. Exhibit B, 2021 Bylaws, Article II, Section 6.

121. Furthermore, the “adequate cause” to remove a Trustee changed in the 2021 Bylaws to no longer explicitly include conflicts of interest. The 2021 Bylaws read instead:

For the purposes of this section, ‘adequate cause’ shall include, but not be limited to, refusal or neglect to discharge the duties of a Trustee, conduct contrary to the interests and welfare of the University, or absence without an acceptable excuse from two or more consecutive Board of Trustee meetings.

2021 Bylaws, Article II, Section 6.

122. By contrast, the 2013 Bylaws read: “[j]ust cause may include, but is not limited to, excessive absences from meetings of the Board, engaging in speech which defames the reputation of the University, involvement in an enterprise that constitutes a conflict of interest, engaging in felonious criminal conduct, or conduct that constitutes moral turpitude.” Exhibit A, 2013 Bylaws, Article II, Section 5.

123. In sum, the 2021 Bylaws make it harder: (a) to get a representative from the NAA, like Dr. Larkins, on the Board; (b) for a representative from the NAA or the Episcopal Church to make any real change on the Board by limiting their terms to one-year; and (c) to remove problematic Trustees from the Board given the BOT’s composition in favor of Boulware and Perry due to the removal of dissenters and

resignations in protest. For example, between November 2022 and November 2023, the BOT had seven Trustees resign in protest.

124. The 2021 Bylaws allowed the BOT to effectively insulate itself from any legal or institutional challenges from outside or within.

125. For example, and without limitation, the BOT in 2024 made clear to members of the NAA that the NAA's choice as alumni Trustee, Steven Williams, would not be approved by the BOT because he had been a public and outspoken voice for change and reform.

VI. SAU loses accreditation due to misfeasance, malfeasance, and neglect of the Board of Trustees.

126. In or about 2020, SAU retained Murphy and Company, P.C., certified public accountants, to perform an audit of SAU's fiscal year 2019 and 2018 financial statements.

127. Murphy found that SAU's cash flows were negatively impacted by a more than \$5.3 million deficit from operations in 2019, which the Board did *not* address as it discussed the budget for that year.

128. Similarly, in or about 2021, SAU hired BDO USA, LLP, to perform an audit of its fiscal year 2020 financial statements. This time, there was a \$8.1 million deficit in cash flows from operations.

129. Again, the BOT did not consider this deficit when it embarked on its budget review process. These back-to-back failures to understand and account for the University's precarious financial situation demonstrates the BOT's lack of business acumen and oversight.

130. The failure of the BOT Finance Committee (which Defendant Antonio Knox chaired from roughly 2019 to 2022 or 2023) and the full BOT's failure to provide appropriate budgetary oversight had additional negative consequences for SAU. The BOT's failure to exercise proper oversight allowed SAU leadership to go three years without paying employees' payroll taxes, resulting in a \$7.9 million tax lien from the United States Internal Revenue Service.

131. Additionally, BDO USA, LLP found for fiscal year 2021, that:

The University's existing policies require that authorization and approvals for wire transfers follow a documented (and auditable) process. However, this process is frequently circumvented and oftentimes completely disregarded. During our audit procedures, we identified multiple instances of checks and wire transfers being initiated without the appropriate approvals. These unapproved cash disbursements ranged from small immaterial amounts to amounts exceeding an individual threshold of \$350,000. This, along with the overall lack of internal controls and accounting practices within the Business Office during the June 30, 2021 fiscal year, resulted in over \$10 million of cash disbursements that were unsupported and were not appropriately recorded in the general ledger as of year end.

BDO USA, LLP, *Saint Augustine's University: Schedule of Findings and Questioned Costs, Year Ended June 30, 2021*, Finding 2021-006, at 29 (emphasis added).

132. Eighteen of BDO's 28 findings in fiscal year 2021 were repeat findings from fiscal years 2019 and/or 2020.

133. On December 4, 2022, the SACSCOC Board of Trustees authorized a Special Committee to visit SAU and recommended, after reviewing a monitoring report on SAU, that SAU be placed on Probation for Good Cause for 12 months due to SAU's

failure to comply with SACSCOC *Principles of Accreditation* Core Requirement 4.1 (relating to governing board characteristics), Core Requirement 13.1 (relating to financial resources), Core Requirement 13.2 (relating to financial documentation), Standard 13.3 (relating to financial responsibility, Standard 13.4 (relating to control of finances), and Standard 13.6 (relating to federal and state responsibilities).

134. In October 2023, the Special Committee came to visit SAU's campus to determine whether SAU could be removed from Probation for Good Cause status or whether more serious sanctions were necessary.

135. After its visit, the Special Committee issued a report (the "Special Committee Report") with its key findings. The Special Committee found several issues with SAU's management of its finances in particular, but made a point to highlight the role of the BOT in such mismanagement, writing:

[T]he Special Committee determined that the Board was not able to demonstrate nor able to communicate detailed processes and procedures for fiduciary oversight and fiscal management of the institution. Due to the delays in securing audited financial statements, the Board has consistently approved budgets, since 2019, without externally audited or verified evidence of resources or operational results. There is no evidence that the board has developed a process for managing the financials of the institution or any strategies for completing timely audits. Further, it was not evidenced that the Board has a clear understanding of its role in the management process, nor does it have a clear understanding or appreciation of the severity of the current fiscal issues.

Special Committee Report, pg. 3.

136. The Special Committee further found that:

[T]he Board completed a self-survey in which 9 out of 11 trustees responded in the affirmative that board members, "*evaluate and assess the overall enterprise risk management of the university*

including key risk areas annually through evaluation of compliance risks, financial risks, operational risks, reputation risks, strategic risks, business model risks;” however, the board members were unable to explain any mechanisms, appropriate datasets, or strategies used to evaluate said risks. Further, the lack of the board members’ ability to evaluate risk was evidenced by on-site interviews with representatives from the audit firm, which further contradicted the board members’ assessment of their ability to manage the fiscal matters of the institution. The audit firm has recommended extensive board training. Hence, after interviewing board members, there was heightened concern that the board is not able to demonstrate appropriate fiduciary oversight of the institution.

Id. (emphasis in original).

137. The Special Committee also interviewed SAU’s Chief Financial Officer, Controller, Director of Financial Aid, and Bursar/Student Financial Services office in order to determine the root cause for SAU’s failure to produce audited financial statements for fiscal years 2020, 2021, 2022, and 2023. The Special Committee found that:

The institution hired a new CFO and new staff in the business office in the summer of 2022. *The new staff discovered that the books and records for 2020-2021 did not exist.* The staff were charged with going back and recreating the source documents and other supporting documentation to record the transactions that occurred during the 2021 fiscal year. *When staffers began the process, only \$138,000 of revenue had been recorded for the FY 2021 year. The institution had not retained check copies or invoices supporting cash disbursements. In addition, deposits had been made, but no support had been retained to verify the source of deposits; and student account payments had not been posted to the students’ records.* At the end of FY 2021, the institution used HEERF funds to write student account balances to a zero balance. The FY 2021 audit could not begin until the books and records had been updated by the staff leading to the delays in issuing a report for that year and for the 2022 and 2023 fiscal years.

Special Committee Report, pg. 5 (emphasis added).

138. The Special Committee also paid attention to SAU's compliance with state and federal student financial aid programs (a major source of SAU's revenue) and found that:

The institution has not audited financial aid programs as required by federal and state regulations for the years ended June 30, 2021, 2022 and 2023. Numerous findings were cited during the 2019 and 2020 audits over management, disbursement, and reporting of student financial aid programs.

The institution was cited on August 17, 2023, by the US Department of Education for failure to submit an audit for FY 2022 on a timely basis; the institution was notified of the same in the prior year for the failure to timely submit the FY 2021 audit. The US Department of Education notified the institution in a letter dated September 8, 2023, that failure to submit a timely audit constitutes failure in financial responsibility. As a result, the institution is required to post financial protection for five years from latest notice and has been placed on heightened cash monitoring 2 method of payment. The institution has provided the financial protection as required and has been granted provisional certification to continue participating in Title IV programs.

Special Committee Report, pg. 7-8 (emphasis added).

139. In short, the SACSCOC review demonstrated that under the leadership of Perry and Boulware, who were the BOT Chairs, and Evans and Knox, who were the Finance Committee Chairs, during the relevant time period, the BOT had allowed SAU to slip into complete financial disarray. The BOT exercised no oversight or fiduciary responsibility over SAU finances. SAU's books were not audited in 2021, 2022, or 2023, and its annual budgets were more fiction than reality. As a result, SAU faculty and staff have not been paid for a period of months and SAU had to send students home early from the spring 2024 semester.

140. These findings were a significant reason for SACSCOC's Board of Trustees' vote to withdraw SAU's accreditation on December 5, 2023. As a result of this loss of accreditation, SAU will not receive federal and state funding and financial student aid. This is devastating to SAU and its students because, as of March 2024, 78% of SAU's student body received federal Pell grants.

141. SAU appealed its accreditation loss. SAU was granted an appeal hearing and was heard by the SACSCOC on February 20, 2024. At the hearing, SAU argued that it had taken significant steps to remedy all areas of non-compliance with SACSCOC standards as found in the Special Committee Report, and also asked for an extension of its Probation with Good Cause status for another year so that SAU could become fully compliant. Despite SAU's efforts, on February 27, 2024, the SACSCOC upheld its decision to remove SAU from its membership and to not extend Probation with Good Cause status until December 2025.

142. In a desperate attempt to maintain its accreditation, SAU has entered into arbitration with the SACSCOC, which allows it to remain accredited through the arbitration process.

143. Per the SACSCOC Arbitration of Adverse Actions Policy Statement, the arbitration proceeding itself begins within ninety calendar days of the convening of the arbitration by the three arbitrators selected by SAU (selects one arbitrator), SACSCOC (selects one arbitrator), and the arbitrators themselves (select the third and final arbitrator). *Arbitration of Adverse Actions Policy Statement*, SACSCOC, <https://sacscoc.org/app/uploads/2020/09/Arbitration.pdf> (Last Visited May 29, 2024), at

pg. 3. The arbitration proceeding, in turn, must be completed within ninety (90) calendar days, and will be considered complete when the arbitrators submit a written award. *Id.* at 4. Accordingly, should everything go exactly as scheduled, the arbitration proceedings will be completed by July 14, 2024.

144. While SAU retains its accreditation for now, the clock is ticking for it to fix its problems, which all begin at the top with the BOT and Chairman Boulware.

VII. Under the sitting BOT's leadership, SAU remains in financial peril.

145. Upon information and belief, in or about May 2024, the BOT considered entering SAU into a predatory \$7 million loan with an interest rate of approximately 25%, secured by nearly one quarter of SAU's real estate holdings.

146. With SAU on the precipice of losing its accreditation and thereby its access to state and federal student aid, on which the vast majority of its students rely, along with the crisis in fundraising due to donors' mistrust of the BOT, the potential loan would put SAU in immediate peril of losing a quarter of its land.

147. Further, upon information and belief, the BOT has allowed students, faculty, and staff to be present on SAU's campus without having adequate (or any) accident or liability insurance.

148. Finally, upon information and belief, due to the BOT's neglectful oversight of SAU's finances, SAU faculty and staff members have not been paid in over nine pay periods, resulting in them facing evictions, automobile repossessions, issues with health insurance, deteriorating credit and more.

149. Should this BOT continue to go unchecked, what will be left of SAU? If SAU is to survive, this Board's tenure must come to an end.

FIRST CLAIM FOR RELIEF
Violation of N.C. Gen. Stat. § 55A-8-30

150. Plaintiffs re-allege and incorporate herein the preceding paragraphs.

151. The BOT and the Individual Defendants, by statute, were required to discharge their duties as directors, including their duties as members of a committee: (a) in good faith, (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and (c) in a manner the director reasonably believes to be in the best interests of the corporation.

152. Boulware's hiring of the Hughes Company without an RFP process or the Board's approval, participation in the fabrication of Board minutes to make it appear that the hiring of Hughes Company had been approved, holding himself out as a "loan broker" for SAU, hiring Carter without an RFP process and with, at a minimum, the innuendo of a *quid pro quo* transaction, among other misdeeds, were not actions taken in good faith, were not prudent, and were not in the best interest of SAU.

153. Similarly, former Chairman and current Trustee Perry, by empowering Boulware so to act, and by also participating in the fabrication of Board minutes to make it appear that the hiring of Hughes Company had been approved himself, was not acting in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, or in a manner that Perry could have reasonably believed to be in the best interests of SAU.

154. Finally, the Aiding and Abetting Trustees have approved or ratified the misconduct of the Complicit Trustees. They have failed to exercise good faith and prudence by allowing the Complicit Trustees to lead SAU off a cliff.

155. Defendants Gibson and Caldwell appear to have completely abdicated their duties and responsibilities as BOT members.

156. The BOT and the Individual Trustees, through their neglect of their financial oversight duties that led to SACSCOC removing SAU from its membership, did not act in good faith, with the care an ordinarily prudent person in a like position would exercise, or in a manner that it could have reasonably believed to be in the best interests of SAU.

157. Plaintiffs were damaged by Defendants' failure to live up to the general standards for directors of non-profit corporations in that: (a) the value of their degrees has been called into question by the reputational damage that loss of accreditation has done to SAU; (b) the lack of financial oversight at SAU combined with Boulware's documented self-dealing enhances the risk that donor funds will be misappropriated or squandered; and (c) the lack of financial oversight at SAU has led to a loss of accreditation that puts current students' degrees *and* financial aid at risk, forcing them to look elsewhere in order to graduate with a four-year collegiate degree.

158. Defendants' breaches have proximately caused harm to SAU and to Defendants in an amount in excess of \$25,000, the actual amount to be proven at trial.

SECOND CLAIM FOR RELIEF
Common Law Breach of Fiduciary Duty

159. Plaintiffs re-allege and incorporate herein the preceding paragraphs.

160. As detailed above, Defendants owed fiduciary duties to SAU and to Plaintiffs by virtue of their positions on the Board of Trustees.

161. By engaging in the conduct detailed herein, Defendants have breached their fiduciary duties to SAU and to Plaintiffs.

162. Defendants' breaches have proximately caused harm to SAU and to Plaintiffs in an amount in excess of \$25,000, the actual amount to be proven at trial.

THIRD CLAIM FOR RELIEF
Breach of the SAU Bylaws

163. Plaintiffs re-allege and incorporate herein the preceding paragraphs.

164. The 2013 and 2021 SAU Bylaws were the binding agreements governing the conduct of the BOT at all times relevant to this Complaint. These Bylaws represent the BOT's promise to the SAU community, including all Plaintiffs, to govern the university under an agreed set of rules.

165. As such, Plaintiffs are intended third-party beneficiaries of these Bylaws.

166. The conduct detailed above breached the following provisions of the 2013 Bylaws, among others:

- a. Article I, Section 6 (requiring the BOT to "keep correct and complete records and books of account);
- b. Article II, Section 1 (requiring the BOT to have at least 15 members);
- c. Article II, Section 7(G) (requiring the BOT to "[o]verse the fiscal affairs of the University);
- d. Article IV, Section 2 (requiring an annual "internal and external audit[] of the financial records of the University");

- e. Article VII, Section 1 (requiring the President of the BOT to, among other things, “[a]dminister the financial affairs of the University,” “develop and recommend policies and programs for financing of benefits for faculty, staff, and students”; and “[e]stablish a management organization to carry out effectively the policies of the University.”)
- f. Article X (addressing conflicts of interest on the BOT).

167. The conduct detailed above breached the following provisions of the 2021

Bylaws, among others:

- a. Article I, Section 6 (requiring the BOT to “keep correct and complete records and books of account);
- b. Article II, Section 2 (requiring the BOT to have at least 15 members);
- c. Article II, Section 8(H) (requiring the BOT to “[o]verse the fiscal affairs of the University);
- d. Article IV, Section 2 (requiring an annual “internal and external audit[] of the financial records of the University”);
- e. Article VII, Section 1 (requiring the President of the BOT to, among other things, “[a]dminister the financial affairs of the University,” “develop and recommend policies and programs for financing of benefits for faculty, staff, and students”; and “[e]stablish a management organization to carry out effectively the policies of the University.”)
- f. Article X (addressing conflicts of interest on the BOT).

168. Defendants' breaches have proximately caused harm to SAU and to Plaintiffs in an amount in excess of \$25,000, the actual amount to be proven at trial.

FOURTH CLAIM FOR RELIEF
Breach of Implied Duty of Good Faith and Fair-Dealing

169. Plaintiffs re-allege and incorporate herein the preceding paragraphs.

170. As detailed above, the 2013 and 2012 Bylaws impose contractual obligations on the BOT that are intended to benefit Plaintiffs among others.

171. Along with those contractual obligations, Defendants owe Plaintiffs the implied duty of good faith and fair-dealing.

172. By engaging in the conduct detailed herein, Defendants have breached the implied duty of good faith and fair-dealing.

173. Defendants' breaches have proximately caused harm to SAU and to Plaintiffs in an amount in excess of \$25,000, the actual amount to be proven at trial.

WHEREFORE Plaintiffs Henry Debnam, Dr. John Larkins, and the Save SAU Coalition, Inc. respectfully pray that the Court:

1. Have a trial by jury on all triable issues;
2. Enter judgment for Plaintiffs against Defendants on all claims;
3. Exercising its statutory authority under N.C. Gen. Stat. § 1-253 *et seq.* and its equitable authority in the nature of an action under N.C. Gen. Stat. §§ 55A-1-60 and 55A-8-10, order the removal of the current BOT;
4. Tax the costs of this action against Defendants, including attorneys' fees to the extent allowable by law;
5. Provide such other relief as the Court may deem just and proper.

This the 31st day of May, 2024.

/s/ Shana L. Fulton
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EXHIBIT A

SAINT AUGUSTINE'S UNIVERSITY

BYLAWS

&

BOARD POLICY MANUAL

RALEIGH, NORTH CAROLINA

Vision

The vision of Saint Augustine's University is to advance a premier comprehensive University and model learning community.

Mission Statement

Saint Augustine's University provides a healthy learning environment where students are prepared to excel academically, socially, and spiritually in order to be equipped for leadership roles in a complex, diverse, and dynamically changing world. The University is committed to offering rigorous academic programs and research opportunities at the undergraduate and graduate levels to achieve its core values.

SAINT AUGUSTINE'S UNIVERSITY

BYLAWS

Revised, June 2013

BYLAWS

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ARTICLE I - AUTHORITY

Section 1. Name

The name of this corporation shall be Saint Augustine’s University, hereinafter referred to as the “University”.

Section 2. Purpose

The purpose of the University is to provide instruction in the liberal arts, fine arts, and sciences, to provide appropriate professional curricula including teaching, and to award such degrees as are consistent therewith.

Section 3. Ownership and Control

The University owns and controls the land, buildings, and all other assets held in the name of the corporation.

Section 4. The Board of Trustees

The governing body of the University shall be the Board of Trustees which shall have and exercise the corporate powers prescribed by law. This responsibility cannot be delegated nor abrogated.

Section 5. Fiscal Year

The University's fiscal year shall be from July 1 to June 30 inclusive.

Section 6. Records

The University shall keep correct and complete records and books of account and shall keep minutes of the proceedings of the Board of Trustees.

ARTICLE II - THE BOARD OF TRUSTEES

Section 1. Membership

The Board of Trustees shall consist of members elected or ratified by the Board. There shall be not less than fifteen (15) or more than twenty-five (25) Trustees.

The categories of trustee membership shall be Regular, Episcopal, Student, Alumni and Honorary.

Section 2. Eligibility & Selection

A. Elected Trustees

The category of elected trustee membership shall include regular Trustees. All such members shall be elected according to the procedures established by these Bylaws. At least three (3) of these members shall be alumni of the University.

B. Ratified Trustees

The categories of ratified trustee membership shall include:

1. Episcopal Trustees

The Bishop of the Diocese of North Carolina for the Protestant Episcopal Church in the United States of America, shall be a member of the Board for as long as he/she is Bishop of the Diocese of North Carolina.

2. Student Trustees

A Student Trustee currently enrolled, a full-time student in good academic standing, and shall be elected by the Student Body of the University annually.

3. Alumni Trustees

One member shall be an alumna/alumnus in good standing with the National Alumni Association who shall be elected by that body.

4. Honorary Trustees

The status of Honorary Trustee may be conferred by the Board upon any former Trustee whose contribution is deserving of recognition. Honorary Trustees shall have none of the obligations of Board membership but shall be entitled to all of the privileges except those of making motions, voting and of holding office.

Credentials for all Trustees to be ratified shall be presented at the annual meeting.

C. The following shall be ex officio members of the Board:

1. The President of the University;
2. All Bishops, other than the Bishop of the Diocese of North Carolina, of the Protestant Episcopal Church in the United States of America, exercising regularly their office within the geographical limits of the State of North Carolina; and
3. The Legal Counsel.

Ex officio members of the Board shall have all of the privileges of Board membership except those of making motions, voting and of holding office.

All Trustees and ex officio members of the Board shall represent the best interests of the University as a whole and not merely the interests of the group(s) responsible for their election to the Board and shall adhere to a Code of Ethics.

Section 3. Term

- A. Trustees may be elected for a term of four (4) years at any regular or special meeting of the Board. The election of Trustees shall be a part of the order of business of each annual meeting of the Board during the years in which terms expire. Trustees may not be elected for more than two (2) consecutive terms on the Board in the same category of trustee membership except as provided in ARTICLE II – Section 6 of these Bylaws.
- B. Trustee candidates shall be presented for ratification at the annual meeting of the Board.

Terms for Trustees elected or ratified at any regular or special meeting shall begin immediately upon election or ratification. At least twelve months must have elapsed before any Trustee having served two consecutive terms may be elected or ratified for another term or an unexpired term.

Section 4. Resignation

Trustees may resign at any time by communicating such resignation to the Board of Trustees or its presiding officer. The resignation is effective when communicated unless the notice specifies a later effective date or subsequent event upon which it will become effective.

Section 5. Removal

Trustees may be removed from the Board of Trustees at any time for cause by the vote that would be required to elect the Trustee to the Board of Trustees. Just cause may include, but is not limited to, excessive absences from meetings of the Board, engaging in speech which defames the reputation of the University, involvement in an enterprise that constitutes a conflict of interest, engaging in felonious criminal conduct, or conduct that constitutes moral turpitude.

Section 6. Vacancies

The Board may fill vacancies occurring through other than the normal expiration of terms at any stated meeting. The appointment shall be for the remainder of the term. Any Trustee elected or ratified for the unexpired term of a vacancy shall be eligible for two (2) complete terms as trustee under ARTICLE II - SECTIONS 2 & 3 of these Bylaws.

Section 7. Duties

The Board of Trustees shall approve and determine the general, educational, and financial policies as shall be deemed necessary for the administration and development of the University in accord with its stated purposes. The Board shall:

- A. Elect Officers to have general supervision of the affairs of the Board between its meetings and perform other such duties as specified in these Bylaws;
- B. Review the aims and purposes of the educational program;
- C. Authorize the establishment and discontinuance of programs and departments;
- D. Select a President who shall be the chief executive officer of the University;
- E. Authorize the awarding of all earned and honorary degrees;
- F. Approve policies that relate to the instruction, extracurricular activities, campus and residential life of students;
- G. Oversee the fiscal affairs of the University, including approval of budgets, supervision of investments, and fixing of tuition and fees;
- H. Authorize the acquisition and disposition of property and physical facilities, including the construction of new buildings; and
- I. Approve and obtain necessary funds from all possible sources for academic and physical development and maintenance purposes.

ARTICLE III - MEETINGS

Section 1. Regular Meetings

The Board of Trustees shall hold three (3) meetings annually at dates and times fixed by the Chair of the Board after consultation with the President of the University.

Section 2. Annual Meeting

One regular meeting of the Board of Trustees shall be held in Raleigh, North Carolina during the Spring at a date and time fixed by the Chair of the Board, after consulting with the President of the University. This meeting shall be known as the Annual Meeting and shall be for the purposes of electing and ratifying Trustees and electing and installing officers.

Section 3. Special Meetings

Special meetings of the Board may be called by the Chair of the Board or the Executive Committee upon the written request of any ten (10) Trustees with voting privileges.

Section 4. Notice

Written notice of every regular and annual meeting of the Board shall be sent by the Secretary to members not less than thirty (30) days before such meeting by regular mail, electronic mail or facsimile. Notice shall state the date, place, time, agenda and purpose of said meeting.

Written notice of special meetings of the Board shall be sent by the Secretary to members not less than ten (10) days before such meeting by regular mail, electronic mail or facsimile. Notice shall state the date, place, time, agenda and purpose of said meeting.

Section 5. Quorum

A majority of the voting members of the Board shall constitute a quorum for the transaction of business.

Honorary Trustees and ex officio members shall not be counted for purposes of determining a quorum.

Section 6. Participation by Electronic Conferencing

Any trustee may participate in a meeting of the Board or in any committee meeting by means of telephone, video-conference, or other communications equipment so long as all members are able to hear and be heard on matters being discussed at the meeting. Trustees participating by teleconference shall be counted for the purpose of determining a quorum and shall exercise all rights and privileges, including the right to vote, to which he/she is otherwise entitled.

Section 7. Voting and Effective Action

At all meetings of the Board, each voting member shall be entitled to one vote. Voting by proxy shall not be permitted. Action by the Board shall require a quorum of voting members and a majority vote of the members present unless otherwise stated in these Bylaws.

Voting for Officers of the Board, elected Trustees of the Board, elected committee members, the President of the University, and ratification of Trustees shall be by ballot.

ARTICLE IV - FINANCE

Section 1. Finance

There shall be a budget for the ensuing fiscal year for the University prepared and presented for approval at each annual meeting.

Section 2. Audit

There shall be annual internal and external audits of the financial records of the University.

Section 3. Bonding

The Officers of the University having fiduciary and monetary responsibility shall be bonded.

ARTICLE V - BOARD OFFICERS

Section 1. Officers of the Board

The officers of the Board shall consist of a Chair, a Vice Chair, a Secretary, and a Treasurer.

Officers may, with the approval of the Chair of the Board and the President of the University, designate non-Board members to assist in the execution of their office.

Section 2. Election and Terms of Officers

The Officers of the Board shall be elected by majority vote of the Trustees. Officers shall serve for a term of one year or until the successor(s) have been elected. Officers shall be eligible for re-election during their unexpired term as Trustees; however, no Trustee shall hold any office for more than five (5) consecutive terms of one year. Officers shall be elected and installed at the annual meeting of the Board. ✓

Section 3. Chair

The Chair shall preside at all meetings of the Board. The Chair of the Board shall chair the Executive Committee and serve as an ex officio member of all committees of the board except the Executive Committee and the Nominating Committee. The Chair shall annually appoint all committees of the Board except the Chair of the Nominating Committee. The Chair, in consultation with the President of the University, shall appoint a Parliamentarian and shall perform the duties customarily adhering to the office.

Section 4. Vice Chair

In the absence of or at the request of the Chair, the Vice Chair shall preside at meetings of the Board and Executive Committee and perform such activities and duties incident to the office of Chair.

Section 5. Secretary

The Secretary of the Board shall be responsible for the record of all votes, shall ensure that a record is kept of all meetings, shall ensure that due notice of all meetings of the Board and Executive Committee is given. The Secretary shall communicate actions of the Board and Executive Committee to all proper persons and organizations. The Secretary shall prepare the agenda for all meetings of the Board with authorization by the Chair of the Board and shall perform the duties customarily adhering to the office.

Section 6. Treasurer

The Treasurer shall provide an account of the financial condition of the University to the Board at the annual meeting and at other such times as the Board may direct. The Treasurer of the Board shall chair the Finance Committee.

Section 7. Succession and Vacancies of Office

When a vacancy occurs in the office of Chair of the Board, the Vice Chair shall become Chair until the next meeting of the Board.

Any vacancies among the officers shall be filled at the next duly constituted meeting of the Board.

ARTICLE VI - BOARD COMMITTEES

Section 1. Committees of the Board

The committees of the Board shall be the Executive Committee, the Finance Committee, the Nominating Committee, the By Laws Committee, the Academic Services Committee, the Student Services Committee, the Technology Committee, and the Personnel Committee. The Audit Committee, the Development Committee, and Investment Committee will function as subcommittees serving as members of the Finance Committee. The Church Relations Committee and the Facilities Committee will be eliminated as a standing committee and the responsibility of those committees will be absorbed by the Development Committee. One half of all voting members of a committee shall constitute a quorum for the transaction of business.

Section 2. Executive Committee

The Executive Committee shall consist of the officers of the Board and elected Committee Chair. The President of the University and the Legal Counsel shall be ex officio to the committee. Two at large members can be appointed by the Chair.

The Executive Committee shall meet quarterly. The time, place and date of the meetings shall be set by the Chair of the Board, after consultation with the President of the University. Special meetings may be called by the Chair upon written request of any six (6) members of the Board.

The Executive Committee shall exercise all powers of the Board at such times as the Board is not in session, except that it shall not have the power to alter or revoke any previous order, resolution or vote of an annual, regular or special meeting of the Board unless specifically granted such power by the Board, and it shall not have the power to convey or encumber real estate, elect or remove officers of the Board, elect or remove the President of the University, or amend the charter or Bylaws of the University.

Section 3. Finance Committee

The Finance Committee shall consist of a Chair and members appointed by the Chair of the Board. Of the members appointed to the Committee, there shall be designated subcommittee Chairs of Investment, Development and Audit. The duties of this committee are:

- To present the annual budget for the University with its recommendations to the Board;
- To consider all request for approval of expenditures or the incurring of obligations which are not included in the annual budget and make recommendation to the Board;

- To establish requirements for appropriate fidelity bonding of such officers and employees and as such amount as deemed advisable; and
- To review quarterly reports of the University's financial condition and affairs.

Section 4. Investment Subcommittee

The Investment Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To supervise the investments of the University Endowment; and
- To recommend to the Board the determination of the annual distributions of the Endowment.

Section 5. Audit Subcommittee

The Audit Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To examine annually all funds over which the Board has direct or supervisory control.

Section 6. Development Subcommittee

The Development Subcommittee shall consist of a Chair and members appointed by the Chair of the Board. The Church Committee and the Facilities Committee will be eliminated as standing committees and will be absorbed by the Development Committee. The duties of this committee are:

- To develop and promote policies and plans for achieving the financial support required to realize the educational and physical development objectives of the University;
- To create, coordinate and maintain a broad program of public relations and communications with the objectives of achieving a better understanding of and positive action toward the University on the part of its constituencies;
- To review and recommend to the Board policies, programs and leadership for fundraising from alumni, Church and the public;
- To coordinate and evaluate the major fundraising and public relations committees in their endeavors to fulfill approved University policies and plans.
- To study and recommend to the Board a master campus plan continuously updated so as to reflect educational goals and financial needs and projections as coordinated with appropriate Board committees;
- To evaluate the conditions of physical facilities, grounds, the needs for and use of equipment, and space allocation and to report on and make recommendations, at least annually, concerning the conditions and required maintenance;
- To recommend the retention of campus planners, architects, plant consultants, and contractors as required;
- To assume the major responsibility in trying to increase the awareness of the University, its works, hopes and aspirations, by The Episcopal Church generally including, specifically, its national organization, its Dioceses, its other organizations, its individual churches and its individual members; and

- To perform other such duties and responsibilities consistent with the foregoing functions as may, from time to time, be assigned to it.

Section 7. Nominating Committee

The Nominating Committee shall consist of a Chair, nominated by the Board Chair and affirmed by a majority vote of the Trustees, and members appointed by the Chair of the Board. The duties of this committee are:

- To maintain a trustee candidate list through a constant search to identify individuals best able to serve the University at the trustee level;
- To present to the Board nominations for membership on the Board and a slate of officers of the Board and the Nominating Committee as required by these Bylaws; and
- To receive nominations for honorary degrees from the President of the University and any other source and refer them to the Board with recommendations thereto.

Section 8. Bylaws Committee

The Bylaws Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To review the Mission, Bylaws, Policies, and Procedures of the University on an annual basis;
- To receive and evaluate recommendations for changes in the governance documents of the University; and
- To present to the Board recommendations for revisions to the governance documents of the University.
- To continually assess and appraise Board organization, operation, membership, and attendance to assure maximum effectiveness and to make such recommendations from time to time as, in the Committee's judgment, will accomplish the objectives of the Board;
- To develop and maintain a program of orientation for new trustees; and
- To design a continuing program of education of trustees concerning issues confronting higher education, problems confronting Saint Augustine's University and related matters.

Section 9. Academic Services Committee

- The Academic Services Committee shall consist of a Chair and members appointed by the Chair of the Board. The duty of this committee is:
- To appraise periodically the regular and special educational programs and activities of the University;

Section 10. Student Services Committee

The Student Services Committee shall consist of a Chair and members appointed by the Chair of the Board. The duty of this committee is:

- To continually assess and appraise the non-academic aspects of student life and student personnel policies.

Section 11. Personnel Committee

The Personnel Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To ensure that performance, salary, and compensation matters affecting the President shall be reviewed and appropriately acted upon at least on an annual basis;
- To establish an *Evaluation of Performance System* for the President which will provide a performance review, not later than the Spring Meeting of the Board of Trustees;
- To make recommendations to the Board of Trustees based on the evaluation of the annual performance review on salary and compensation adjustments for the President during the Spring Meeting of the Board of Trustees with such adjustments, if any, to be effective on July 1; and
- To perform such other duties related to performance, salary, and compensation matters for the President.

**SAINT AUGUSTINE'S UNIVERSITY
BOARD POLICY MANUAL**

**DEVELOPED BY
AD HOC COMMITTEE ON BYLAWS, POLICIES AND PROCEDURES**

**Mr. A. Melvin Miller, Chair, Bylaws Committee
Members: William T. Newkirk**

**Approved 2006
Updated 2013**

INTRODUCTION

The Board as the governing body of the University is entrusted with the authority to establish policy. Board policy establishes the parameters and guidelines for board members, board committees, the President, faculty, staff and students.

The purpose of these policies is to:

- Inform everyone of board intent, goals and aspirations;
- Prevent confusion among board members, faculty, staff, students and the public;
- Promote consistency of board action;
- Eliminate the need for crisis management;
- Reduce criticism of the board and administration;
- Improve public relations;
- Clarify board member, administration and faculty roles; and
- Give to the administration a clear direction from the board.

ARTICLE VII - ADMINISTRATION

Section 1. President

The Board of Trustees shall select a President who shall be the Chief Executive Officer of the University. The President shall be an ex officio member of the Board and all committees of the Board except the Personnel Committee.

The President shall be responsible for, though not exclusively confined to, the following:

- Prompt and effective execution of all resolutions, policies, rules, and regulations adopted by the Board;
- Formulate and recommend to the Board policies, programs, and plans for the educational, financial, and physical development of the University;
- Make all nominations of administrative officers and faculty members for appointment to the University, and all recommendations for their salaries, promotions, or dismissal in accordance with approved policies and procedures;
- Make all determinations for admission to; success or failure in completion of courses in; disciplinary actions, including but not limited to probation, suspension, or expulsion from the University;
- Establish a management organization to carry out effectively the policies of the University;
- Ensure that the University is properly staffed with personnel competent to discharge their responsibilities and to carry out said policies effectively;
- Provide adequate opportunities for the development and advancement of personnel;
- Prescribe the specific duties and assignments of the principal officers reporting to the President and establish and define the duties of committees to advise and assist the President in the execution of the President's duties;
- Administer the financial affairs of the University and all records thereof;
- Review the annual expenditures for the University, as prepared by the administration, and present the same with recommendations to the Board;
- Prepare and present to the Board through the Finance and Investment Committee, the proposed budget for the ensuing fiscal year and see that the adopted budget is carried out;
- Make recommendations to the Board for the awarding of all earned and honorary degrees;
- Serve as the chief spokesperson of the University to its constituencies and affiliates;
- Take leadership in obtaining support for the University from all possible sources;
- Prepare and submit to the Board an annual report and other such reports as deemed appropriate and necessary and as the Board may require;
- To recommend to the Board such action as deemed advisable to improve the financial condition of the University;
- To develop and recommend policies and programs for financing of benefits for faculty, staff, and students; and
- To oversee authorized plant construction and physical improvements.

Section 2. Channel to the Board

All official communication from the faculty, student, staff, or executive officers of the University shall be presented in writing to the Chairman of the Board or through the President.

Section 3. Selection and Term

The selection of the President shall be by two-thirds (2/3) majority vote of the Board. Termination of such appointment shall be by the vote which was required for selection.

Section 4. Delegation

The President may delegate specific responsibilities to a duly authorized representative only in accordance with policies and procedures set forth in the authorized documents of the University.

ARTICLE VIII - AMENDMENT

The Bylaws shall be amended by a two-third (2/3) majority vote at the Annual Meeting.

Proposed amendment shall be published to Trustees at least 60 days prior to the Annual Meeting. Bylaws amendments shall become effective immediately upon adoption.

ARTICLE IX - POLICIES AND PROCEDURES

The Board shall adopt and promulgate policies and procedures. Policies and procedures shall become effective immediately upon adoption by a majority vote of the voting members of the Board.

ARTICLE X - CONFLICT OF INTEREST

No person invited to join the Board of Trustees, shall accept nomination, election or ratification thereto in case of conflict of interest because of financial, contractual or similar factors. In cases where a Trustee judges the decision on a particular matter would affect the personal, financial or legal interests of that member, said Trustee shall not vote on such matter whether in committee or the whole Board.

ARTICLE XI - INDEMNIFICATION & PERSONAL LIABILITY

Section 1. Indemnification

Each Trustee and Officer of the University, to include the President, Provost, Vice President for Academic Affairs, Vice President for Student Affairs, Vice President for Business and Finance, Executive Director for Development, Executive Director for Institutional Advancement and such others as the Board may designate, shall be indemnified by the University to the fullest extent permitted by applicable law against any and all liabilities and expenses (and shall be entitled to advances of expenses) suffered or actually and necessarily incurred by such Trustee or Officer in connection with the defense of any action, suit or proceeding to which he/she has been made a party by reason of his/her being or having been such Trustee or Officer, except in relation to matters as to which it shall be determined by final judgment, settlement or other final disposition in such action, suit or proceeding that such Trustee or Officer was grossly negligent or that his/her conduct constituted willful misconduct on the performance of duty. This indemnity shall inure to the benefit of the heirs, executors, administrators, estate and personal representative of any such Trustee or Officer.

Section 2. Personal Liability

A Trustee shall not be personally liable for monetary damages as a trustee for any action or omission, unless the trustee has breached the fiduciary duties of ordinary care of his or her office as trustee through self-dealing, willful misconduct, and/or recklessness. Trustees are expected to rely, in good faith, on information, data, reports, financial information provided by University officials, counsel, financial advisors and other professionals or expert in deciding matters requiring Board approval.

ARTICLE XII - LEGAL COUNSEL

The Board, upon recommendation of the President of the University, shall approve the employment of Legal Counsel who shall advise and represent the Board, its Officers, the President of the University, and the Officers of the University as needed and requested. The Legal Counsel shall serve as ex officio to the Board.

ARTICLE XIII - CORPORATE SEAL

The seal of the Corporation, which shall be affixed to official documents, shall have inscribed the name of the University, the year of its founding and the motto. The University Seal shall be held by the President of the University.

ARTICLE XIV - PUBLICATIONS

The University is authorized to publish the following:

- The Bylaws and Board Policy Manual - Compilation of the Bylaws, policies, and procedures of the University defining the role of the Board of Trustees;
- The Saint Augustine's University Catalog - contains information regarding academic programs, course offerings and rules pertaining to admission, enrollment, graduation, as well as discipline;
- The Student Handbook - contains information pertaining to guidelines for student activities and campus life;
- The Faculty Handbook - contains information outlining the requirements for appointment to the University and the role of faculty in institutional governance;
- The Staff Handbook - contains information outlining the role of staff in supporting the faculty, administration, and students;
- The Personnel Manual - contains the policies and procedures which govern standards of employment, grievance adjudication procedures, safety, and the reporting structure of all employees of the University; and other such publications as from time to time may be necessary on the history and regulations of the University.

ARTICLE XV - PARLIAMENTARY AUTHORITY

All procedures and meetings of the University not specifically prescribed herein shall be governed by Robert's Rules of Order, Newly Revised.

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CATEGORY#: 1002

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Authority of Members

Policy:

The corporate powers of the University are vested in the Board of Trustees. Board members have authority only when acting as a Board of Trustees legally in session. The Board shall not be bound in any way by any action or statement on the part of any individual Board member or employee, except when such statement or action is in pursuance of specific instructions by the Board of Trustees.

(ARTICLE I - Section 4)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002;10/2004

DATE RESCINDED:

CATEGORY#: 1005

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Membership of the Board

Policy:

The Board shall consist of members elected or ratified by the Board. There shall be not less than fifteen (15) nor more than (25) Trustees. The categories of Trustees shall be Regular, Episcopal, Student, Alumni, and Honorary. There will also be ex officio members of the Board: the President of the University, the Legal Counsel and Episcopal members.

Honorary Trustees and ex officio members shall have all the privileges of Board membership except those of making motions, voting and holding office.

(ARTICLE II - Sections 1 & 2C)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002; 10/2006

DATE RESCINDED:

CATEGORY#: 1006

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Regular Trustees

Policy:

Regular Trustees shall be elected for a term of four (4) years by a majority vote of the Trustees in office at the time. The election and installation of Trustees shall be a part of the order of business of each annual meeting of the Board during the years in which terms expire. Trustees may not be elected for more than two (2) consecutive terms on the Board in the same category of trustee membership. At all times, at least three (3) Trustees shall be alumni of the University. No more than one-fourth (1/4) of the Board membership of Regular Trustees shall be elected and installed in any calendar year, except when necessary to ensure the required minimum number of Trustees.

(ARTICLE II - Section 2A, Section 3A)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1007

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Episcopal Trustees

Policy:

The Bishop of the Diocese of North Carolina for the Protestant Episcopal Church in the United States of America shall be a Trustee for as long as he/she is Bishop of the Diocese of North Carolina.

All Bishops, other than the Bishop of the Diocese of North Carolina, exercising regularly their office within the geographic limits of the State of North Carolina shall be ex officio members of the Board of Trustees as long as he/she holds the office. Ex officio members of the Board shall have all the privileges of Board membership except those of making motions, voting and of holding office.

Credentials for the Episcopal Trustee and ex officio members of the Board shall be presented for ratification at the Annual Meeting.

(ARTICLE II - Sections 2B1, 2C2, 3B & 3C)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1008

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Student Trustees

Policy:

One student shall be ratified by the Board of Trustees to serve a one year term as Trustee. The student, must have at least one full academic year left in school at the time of election, be a full time student (carrying twelve (12) or more credit hours), must meet all requirements for the position as outlined in the Constitution of the Student Government Association and must be elected by a campus-wide student election.

Credentials for Student Trustees shall be presented for ratification at the Annual Meeting.

(ARTICLE II - Section 2B2, Section 3C)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002; 10/2006

DATE RESCINDED:

CATEGORY#: 1009

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Alumni Trustees

Policy:

One member of the Saint Augustine's University National Alumni Association shall be elected by that body as their representative on the Board of Trustees. The alumna/alumnus elected must meet all requirements for the position as outlined in the Bylaws of the National Alumni Association.

Credentials for the Alumni Trustee shall be presented for ratification at the Annual Meeting.

(ARTICLE II - Section 2B3, Section 3B)

DATE APPROVED: 6/2000

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1010

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Honorary Trustees

Policy:

The status of Honorary Trustee may be conferred by the Board upon any former Trustee whose contribution is deemed deserving of recognition. Honorary Trustees shall have none of the obligations of Board membership but shall be entitled to all of the privileges except those of making motions, voting and of holding office. Honorary Trustees shall not be counted for purposes of determining a quorum. The designation of Trustee Emerita/Emeritus shall be awarded to the Honorary Trustee with seniority of service to the University.

(ARTICLE II - Section 2B4)

DATE APPROVED: 2/1991

DATE AMENDED: 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1011

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Qualification of Members

Policy:

The Board shall nominate, elect and ratify its membership from persons who:

- Are at least eighteen (18) years of age or older;
- Believe in the cause and mission of Saint Augustine's University;
- Will commit completely to the Board member responsibility for the University;
- Will participate actively as part of the Board team;
- Will utilize their professional skills and expertise for the University;
- Are community leaders; and
- Will be advocates in the community for the University.

(ARTICLE VI - Section 4)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

* **CATEGORY#: 1012**

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Honorary Degree Candidates

* **Policy:**

The University shall award honorary degrees upon approval of the Board.

Procedure:

- The discussion and voting will follow procedures outlined under the Nominating Committee (Policy 1055).
- The University shall award no more than two (2) honorary degrees per academic year.

Board Criteria:

Prospective candidates for honorary degrees shall:

- Have made eminent contribution to the University, the community, the state or society;
- Have achieved prominence or renown in a particular field of endeavor;
- Have personal status that will enhance the reputation of the University and serve as an example to its students and its alumni;
- Have potential for contribution to the goals or welfare of the University;
- Not be - at the time of the award - an employee of the University or a member of the Board of Trustees.

(ARTICLE II - Section 7, ARTICLE VI - Section 4, ARTICLE VII - Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1013

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Election of Trustees, Officers and Committee Members

Policy:

Elections of Trustees, Officers and committee members shall take place at the annual meeting and at other times as designated by the Bylaws and these policies.

Procedures:

- At the annual meeting and at other meetings as required, the Nominations Committee shall present a slate of candidates for election to all appropriate offices and positions.
- Trustees will have the opportunity to make nominations from the floor after the report of the Nominations Committee is made. This opportunity is through a call for nominations from the floor issued by the presiding officer.
- A Trustee candidate nominated from the floor must meet all the qualifications for trustee membership (Policy 1011) which must be verified by the Nominating Committee prior to the name being placed on the official ballot.
- When nominations for all offices and positions have been closed, and all candidates for trustee have been qualified, a ballot will be prepared containing the names of each candidate.
- Each Trustee with voting privileges shall then have the opportunity to vote their conscience.

(ARTICLE V, Sections 2& 7)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1014

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Ratification of Trustees

Policy:

Credentials for all Trustees and ex officio members to be ratified shall be presented at the annual meeting.

Procedure:

- Ratification shall be by majority vote of the Board at each annual meeting.
- The Board reserves the right to deny ratification to any Trustee or ex officio member designee.
- If ratification is denied, the Board shall provide rationale to the selecting entity.

(ARTICLE II - Section 2B)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1015

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Board Member Ethics

Policy:

The Board will annually approve both a Code of Ethics and a Conflict of Interest Statement for Board members.

Procedure:

- All Board members will be given a copy of the approved Code of Ethics and will be expected to adhere to the provisions set forth in the Code.
- All Board members will be required to complete the Conflict of Interest Statement annually.
- All new Board members will be given the Code of Ethics for Board members and the Conflict of Interest Statement for signature during new member orientation.

(ARTICLE II - Section 2, Article X)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1016

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Vacancies on the Board

Policy:

A vacancy is created upon the resignation or death of a member, removal by the Board or failure of the Board to ratify. The Board may fill vacancies occurring through other than the normal expiration of terms at the Board meeting subsequent to the vacancy. The vacancy must be filled in accordance with the method of selection for the category of trustee and following the procedures for nomination and selection of Board members. (Policy 1013)

(ARTICLE II - Sections 4-6)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1017

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Compensation of Board Members

Policy:

Board members serve without remuneration except that Board members may be reimbursed for travel and incidental expenditures in accordance with the official travel policy of the University.

DATE APPROVED: 4/2002.

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1018

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Meeting Attendance

Policy:

Trustees must attend meetings in order to maintain governance continuity, to be fully informed about the issues on which they will vote and to meet their responsibility to contribute to the decisions the Board is required to make.

Procedure:

- If a Trustee is absent from all or part of any meeting, the Trustee is expected to contact the Chair or the President as soon as the need to be absent is known.
- When a Trustee is absent from any Board meeting without notification, the Chair should contact the Trustee with a reminder of the meeting attendance policy.
- If a Trustee is absent for three (3) consecutive Board meetings without notification, the Chair should ask the Board to consider removing the Trustee from membership of the Board.

(ARTICLE II - Section 5)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1019

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Removal of Trustees

Policy:

Trustees may be removed from the Board at any time for cause by the same vote required for election to or ratification by the Board. Just cause may include but is not limited to:

- Excessive absences from Board meetings;
- Engaging in speech which defames the reputation of the University;
- Involvement in an enterprise that constitutes a conflict of interest;
- Engaging in felonious conduct;
- Conduct that constitutes moral turpitude; and
- Acting in any manner detrimental to the University.

Procedure:

The discussion will take place in Executive Session (Policy 1027) and will follow procedures approved for impeachment (Policy 1030).

(Article II - Section 5)

DATE APPROVED: 6/2000

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1020

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Resignation of Trustees

Policy:

Trustees may resign at any time.

Procedure:

- A letter of resignation must be submitted to the presiding officer of the Board.
- Unless otherwise stated, the resignation is effective as of the date of the letter.
- Within ten (10) days receipt of the resignation, the presiding officer shall send written notification to all members of the Board and to the President.
- If the resignation is that of the Chair, the Vice Chair shall become Chair and complete the unexpired term.
- If the resignation is of any office other than the Chair, the procedure established for filling vacancies of officers will be followed.
- If the resignation causes the number of Trustees to fall below the minimum required by the Bylaws, the procedure established for filling vacancies on the Board will be followed.

(ARTICLE III - Section 1-4)

DATE APPROVED: 4/2002

DATE AMENDED: 10/2004

DATE RESCINDED:

CATEGORY#: 1021

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Meetings of the Board

Policy:

The Board shall hold three (3) meetings annually at dates and times fixed by the Chair after consultation with the President.

One regular meeting of the meetings will be held in Raleigh, North Carolina during the Spring and shall be known as the Annual Meeting. The purpose of this meeting shall be for the election and ratification of Trustees; electing the members and Chair of the Nominating Committee; and the election and installation of officers. The Executive Committee will meet once each quarter. Meetings may be held telephonically.

Special meetings of the Board may be called by the Chair with the approval of the Executive Committee or by the Chair upon the written request of any ten (10) Trustees with voting privileges. The Board may schedule a Trustees retreat at any point during the academic year inclusive of summer months as determined necessary by the Executive Committee.

(ARTICLE III - Section 1-4)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002; 10/05

DATE RESCINDED:

CATEGORY#: 1022

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Notice of Meetings

Policy:

The Secretary will ensure that written notice of every regular, annual and special meeting of the Board and of the Executive Committee shall be sent to all members by regular mail, electronic mail or facsimile. Notice shall state the date, place, time, agenda for and purpose of said meeting.

Notice for regular and annual meetings will be sent at least thirty (30) days before such meetings. Notice for special meetings will be sent at least ten (10) days before such meetings.

Procedure:

- After consultation with the Chair, the Secretary will provide to the Office of the President the agenda for the meeting.
- The Secretary will provide to the Office of the President a listing of the materials which should be included in the board packet.
- The Secretary will confirm with the Office of the President that the notice for the meeting has been sent on a timely basis.

(ARTICLE III - Section 4)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1023

GENERAL CATEGORY: Board Operations

SPECIAL CATEGORY: Board Agenda

Policy:

All matters to be considered by the Board will be included on the agenda and in the board packets which will be delivered to the Board members prior to the meeting as specified in the Bylaws.

Procedure:

- All Board members with items for discussion at the Board meeting should contact the Secretary and request their inclusion on the meeting agenda.
- The agenda will be prepared by the Secretary with the authorization of the Chair.
- The Board meeting agenda will approximate the following outline:
 - Call to Order
 - Meditation
 - Determination of Quorum
 - Adoption of Agenda
 - Consideration & Approval of Minutes of Previous Meeting(s)
 - Public Forum
 - Communications
 - Officers Reports
 - Standing Committee Reports

Ad Hoc Committee Reports
Unfinished Business
New Business
Announcements
Adjournment

(ARTICLE III - Section 4, ARTICLE V - Section 5)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1024

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Board Correspondence

Policy:

Correspondence from the Board will be approved by the Board or its Chair. Except for reports and notices which require the signature/authorization of the Secretary or Treasurer, all correspondence from the Board comes over the signature/authorization of the Chair.

Procedure:

- All correspondence from the Board or its Officers will be written on University stationery and will be prepared by the Office of the President.
- Use of University letterhead will be limited to official business.

(ARTICLE V - Sections 3, 5, & 6)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1025

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Minutes of Meetings

Policy:

A record of all matters considered by the Board and actions taken by it shall be kept and entered in the minutes. The minutes shall include each motion, the name of the Trustee making the motion, the name of the endorser, an abstract of the arguments presented - both pro and con, and the disposition of the motion. The disposition should identify whether the motion was amended, withdrawn, lost, defeated or approved and the vote. A member voting against a motion may, upon request at the time of voting, state reasons and have them recorded in the minutes. The minutes shall also include:

- The time, date, type and place of the meeting.
- The names of all persons present and the name of the presiding officer.
- All agenda items (and other items) that were discussed and all decisions that were reached.
- The time of adjournment.

Procedures:

- Written Officer and Committee reports should be provided to the Secretary before presentation to the Board and included either as part of the Board packet distributed prior to the meeting or as an addendum to the minutes.
- The proceedings should be recorded by a professional stenographer or steno typist. The Secretary shall review the proceedings of the meetings for accuracy. The Board minutes shall be approved at the next regular meeting of the Board and signed by the Chair and Secretary.
- Minutes of regular and special meetings shall be distributed to members of the Board and such other persons as the Board may designate.
- The official minutes of the meetings of the Board are public record and shall be open to inspection to members of the University. They shall be kept on file at the University as a permanent record of the official actions of the Board of Trustees.
- Minutes of Executive Sessions will be reviewed by the Bylaws Committee of the Board who shall annually present a recommendation to the Board for the purpose of determining which minutes shall remain confidential. Those minutes determined no longer confidential will be made part of the permanent record.

(ARTICLE I - Section 6, ARTICLE III - Section 6, ARTICLE V - Section 5)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1026

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Meetings Open to the Public

Policy:

All meetings of the Board shall designate a portion of the meeting which shall be open to the public, including representatives of the press, faculty, alumni and students, subject to limitations of space and such reasonable restrictions as shall be imposed by the Board to ensure the orderly conduct of business.

Procedure:

- Members of the public may address the Board at any regular meeting in regard to any item on the agenda; however, the Board reserves the right to limit individual participation to permit the presentation of all pertinent information and points of view bearing upon a matter before it.
- The Board does not obligate itself to act upon new items introduced at a Board meeting which are not on the agenda.
- A request from a Board member which is not a part of an assigned individual or committee report submitted for consideration at a regular meeting shall be received in writing by the Secretary of the Board and the President of the University at least forty (40) days before the meeting, in order to be placed on the agenda.
- A request from an individual or representative of a group for consideration of any matter at a regular meeting shall be received in writing on the 'Public Forum Request'

form by the Secretary of the Board and the President of the University at least forty (40) days before the meeting, in order to be placed on the agenda.

- The Secretary will ensure that notification of the date, time and location of the Board meeting at which the issue may be heard is sent to the person identified on the request form as the contact at least seven (7) days prior to the meetings.
- The Board reserves the right to deny an individual or organization's request for a hearing before the Board.
- The request for a hearing in the Public Forum may be denied if:
 1. The matter is subject to the appeals process of the University and the designated appeals process has not been completed.
 2. The issue is one which should be addressed in Executive Session.

(ARTICLE III - Section 1)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

**SAINT AUGUSTINE'S UNIVERSITY
BOARD OF TRUSTEES
PUBLIC FORUM REQUEST**

The Saint Augustine's University Board of Trustees values the ideas and insights of others. Therefore, it is the policy of this Board to allow time on the agenda of each regular meeting for a public forum. If you wish to speak to an issue during the Forum section of the meeting of the Board of Trustees, please complete this form and send it to: Saint Augustine's University

Attn: Secretary of the Board of Trustees
1315 Oakwood Avenue
Raleigh NC 27610

Only persons whose requests have been received ten (10) days prior to the convening of the meeting will be allowed to address the Board.

When the Board reached the Forum section of the agenda, all persons/groups whose requests have been processed will be given a specific amount of time to address the Board. The Board will then call on the person/group spokesperson who may address the Board for the allocated time. If possible, handouts of your presentation and any supporting documentation should be available for distribution to all Board members. Following your presentation, members may have questions which will be directed to you. Do not expect the Board to respond at this meeting to your questions or your requests for information or action. The Board will note your request and respond at a later time after members have had an opportunity to deliberate.

The Board wants to hear from students, faculty, staff, alumni, and others concerned about the growth and development of the University. However, the Board meeting agenda is usually full and does not allow time for a continuous open forum. Thank you for helping us to conduct an open and orderly meeting.

Topic to Address with the Board _____

Group/Organization _____

Name _____

Address _____

City/ST/ZIP _____

Telephone _____ Fax _____

Date submitted _____ Date Received _____

CATEGORY#: 1027

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Meetings Closed to the Public (Executive Session)

Policy:

Although formal action shall not be taken during the session, the Board may conduct closed (Executive) sessions for the following reasons:

1. To consider information regarding the appointment, employment or dismissal of an employee.
2. To hear testimony on a complaint lodged against an employee to determine its validity.
3. To consider the acquisition of real property.
4. To consider pending court proceedings against or on behalf of the University.
5. To discuss personnel or collective negotiating matters between the University and its employees or representatives as to employment.
6. To discuss student disciplinary cases.
7. To discuss matters relating to individual students requiring special education services.
8. To consider removal of a Trustee.
9. To consider appointment of a person to fill a vacancy of a Trustee.
10. To consider matters relating to campus security or to the safety of staff and students.

Procedure:

- The Board may adjourn to Executive Session for one or more of the purposes stated above upon the adoption of a motion to this effect.
- Only voting members of the Board and those persons whose presence is germane to the issue to be addressed will be permitted to attend the Executive Session.
- The Board shall adjourn the Executive Session upon adoption of a motion to this effect and take any appropriate action, if required, on matters discussed during the Executive Session.

(ARTICLE III- Sections 1 & 7)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1028

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Taping or Filming a Meeting

Policy:

Any person may record the proceedings of the Board-meetings by tape, film or other means only with the express permission of the Board. Any recordings must be done in such a manner so as not to disrupt the proceedings of the meeting. No recording of Executive Sessions other than the required record of the proceedings will be permitted.

Procedure:

- Requests for permission to record must be presented at the time the agenda is presented for adoption.
- If the request is approved, recording will begin with the Public Forum.

(ARTICLE III - Sections 1 & 7)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1029

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Quorum and Voting

Policy:

A majority of the voting membership of the Board shall constitute a quorum and is required for the transaction of business. Trustees may participate in meetings of the Board by means of telephone, video-conference or other communications equipment so long as all members are able to hear and be heard on matters being discussed at the meeting. Members participating by these means shall be counted for the purposes of quorum determination for the duration of their participation and shall exercise all rights and privileges, including the right to vote, to which the member is entitled. Ex officio members shall not be counted for purposes of determining a quorum.

Procedure:

- All members of the Board who are present when a question is put will vote on the question unless disqualified by conflicts of interest or excused by the other members present.
- Voting on all motions will be by voice vote unless requested otherwise by a member of the Board, at the direction of the Chair or as required by the Bylaws or these policies.
- All voting by which University funds are appropriated must be by roll call and the results will be recorded by names of Trustees.
- Voting for Officers of the Board, election of Trustees, ratification of Trustees, election of committee members and chairs, and the President of the University shall be by ballot.
- A Trustee who is present at a meeting of the Board at which action is taken on any corporate matter will be presumed to have concurred in the action taken unless the dissent of the Trustee is entered in the minutes of the meeting. Such dissent will be indicated by a simple "no" vote on the action.
- A Trustee who is absent from a meeting of the Board at which action is taken will be presumed to have concurred in the action unless the Trustee files a written dissent or abstention with the Secretary of the Board within thirty (30) days of receipt of the minutes.

(ARTICLE III - Section 5-7)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1030

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Impeachment Process

Policy:

Trustees have the right to petition for the impeachment of an officer, elected committee chair, elected committee member or Trustee elected or ratified by the Board.

Procedures:

- A quorum of the Trustees may initiate a petition for impeachment. The petition must state the charges/allegations in writing.
- The petition, with the names and signatures of the petitioners affixed, must be presented to the highest ranking officer of the Board who is not the subject of the impeachment process.
- The officer receiving the petition shall certify that the names and signatures are of voting members of the Board and ascertain that the signatures have been voluntarily affixed to this petition.
- After consultation with the President, within fourteen (14) days receipt of the petition, the certifier shall notify, in writing, all members of the Board that a petition has been received and that a hearing date within ninety (90) days must be selected. The notification will include at least two (2) choices of date, time and location for the hearing.
- The notification to the accused Trustee must be sent by certified letter with a return receipt at the same time as the above notifications. The accused Trustees shall be relieved of all duties and responsibilities to the Board pending the outcome of the impeachment process effective as of the date of the notification.
- All date preferences must be returned to the office of the President within thirty (30) days. If the accused has refused to agree to a date, time and location for the hearing by this time, the hearing will proceed without the accused Trustee.
- Within ten (10) days after the date preferences are due, upon mutual agreement of the accused, the Executive Committee and the President, a date, time and location shall be established for the hearing. Notification of which must be sent to all voting members of the Board following the guidelines prescribed by the Bylaws and these policies for notice of meetings (Policy 1022).
- Presiding at the hearing, which will be held in Executive Session, will be the highest ranking officer of the Board who is not a subject of the impeachment process. The proceedings shall follow the guidelines prescribed by these policies and procedures for Closed Sessions (Policy 1027).

If the impeachment stands and an office or position is vacant (Policy 1041) or the Board drops below the required minimum (Policy 1016), the vacancy shall be filled according to the Bylaws and these policies.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

**SAINT AUGUSTINE'S UNIVERSITY
BOARD OF TRUSTEES
Petition for Impeachment**

A majority of the voting members of the Board of Trustees of Saint Augustine's University petition for the impeachment of _____ who currently holds the office/position of _____.

The charge(s)/allegation(s) are: _____

Trustee's Name	and	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Signature of Highest Ranking Officer
who is not subject of impeachment

Signature of Certifier who is not
subject of impeachment

**SAINT AUGUSTINE'S UNIVERSITY
BOARD OF TRUSTEES
Impeachment Hearing Date Selection**

The date, time and location of the Impeachment Hearing are mutually agreed upon by the accused, the Executive Committee and the President. Please indicate your preference by voting for one of the dates listed below:

Please check one:

Date: _____ Time: _____ Location: _____
(to be determined by the highest ranking officer)

1. _____
2. _____
3. _____

Notification of the date, time and location of the hearing will be sent to you within ten (10) days after the due date for return of this form.

Name

Signature

Address

Address

Telephone

Return by: _____

Return to: Saint Augustine's University
Attn.: Board of Trustees
1315 Oakwood Avenue
Raleigh NC 27610

CATEGORY#: 1041

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Board Officers

Policy:

The Officers of the Board shall be the Chair, the Vice Chair, the Secretary and the Treasurer.

Procedure:

- Trustees must be present at the meeting at which he/she is elected.
- Only voting members of the Board are eligible to serve as Officers.
- Officers shall be elected by majority vote of the Trustees at the Annual Meeting for a term of one (1) year.
- Officers shall not be eligible to serve more than five (5) consecutive terms in the same office. Officers will be installed at the Annual Meeting at which they are elected.
- The Vice Chair shall preside in the absence of the Chair.
- In the absence of both the Chair and the Vice Chair, the Secretary shall serve as temporary Chair for the purpose of selecting a Chair pro tem who shall be selected by the Board.
- In the absence of the Secretary, the Chair shall appoint a member of the Board Secretary pro tem.
- When a vacancy occurs in the office of Chair, the Vice Chair shall become Chair until the next meeting of the Board.
- When a vacancy occurs in the office of Vice Chair, Secretary or Treasurer, the office will be filled by election at the next meeting of the Board.
- The Trustee so elected will complete the unexpired term.

(ARTICLE V - Section 1, 2 & 7)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1042

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Chair

Policy:

The Chair of the Board shall:

- Preside at all meetings of the Board;
- Chair the Executive Committee;
- Serve as an ex officio member of all committees.
- Annually appoint all committee chairs and members;
- In consultation with the President, appoint a Parliamentarian; and
- Perform such other duties applicable to the office as prescribed by the parliamentary authority of the Board.

(ARTICLE V - Section 3)

DATE APPROVED: 6/1974

DATE AMENDED: 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1043

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Vice Chair

Policy:

The Vice Chair shall:

- In the absence of or at the request of the Chair, preside at meetings of the Board or the Executive Committee; and
- Perform such other duties applicable to the office as prescribed by the parliamentary authority of the Board.

(ARTICLE V - Section 4)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1044

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Secretary

Policy:

The Secretary shall:

- Be responsible for the recording of all votes;
- Ensure that a record is kept of all meetings of the Board and the Executive Committee;
- Ensure that due notice of all meetings of the Board and Executive Committee is given;
- Ensure that the actions of the Board and Executive Committee are communicated to all proper persons and organizations;
- Perform such other duties applicable to the office as prescribed by the parliamentary authority of the Board.

(ARTICLE V - Section 6)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1045

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Treasurer

Policy:

The Treasurer shall:

- Provide an account of the financial condition of the University to the Board at the Annual Meeting and at other times as the Board may direct;
- Chair the Finance Committee; and
- Perform such other duties applicable to the office as prescribed by the parliamentary authority of the Board.

(ARTICLE V - Section 6)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1046

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Parliamentarian

Policy:

The Chair, in consultation with the President, shall appoint a Parliamentarian.

Procedure:

- The Parliamentarian may be a member of the Board, a staff member or a consultant selected by the Chair.
- The Parliamentarian advises the Chair, officers, committees and members on matters of parliamentary procedure.
- If the parliamentarian selected is a Trustee, acceptance of the appointment is acceptance of the assumption of a position of impartiality, thereby voluntarily giving up the right to make motions, participate in debate or vote on any question except in the case of a ballot vote. Said Trustee does not cast a deciding vote, even if said vote would affect the result, since that would interfere with the Chair's prerogative to do so. A Trustee who is not willing to forgo these rights should not accept appointment to this position.
- If the parliamentarian selected is a consultant, the Board must approve any fee which will be required.

(ARTICLE V - Section 3)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1047

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Legal Counsel

Policy:

The Board, upon recommendation of the President, shall approve the employment of Legal Counsel who shall advise and represent the Board, its Officers, the President and Officers of the University. The Legal Counsel shall serve as ex officio to the Board and shall attend regular and special meetings of the Board. Said Counsel shall be available for consultation as needed and requested. All attorneys employed must be licensed to practice in North Carolina. Counsel shall be employed on a retainer basis.

Only the Chair, the President or their designee may contact legal counsel on behalf of the Board. Costs billed to the University and associated with individuals contacting legal counsel without specific authorization will be billed to the individual making the unauthorized contact.

(ARTICLE II - Section 1C3; ARTICLE VI - Section 2; ARTICLE XII)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1048

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Removal of Officer

Policy:

An officer may be removed at any meeting of the Board for cause - that is for misconduct or neglect of duty in office by two-thirds (2/3) majority vote.

Procedure:

The discussion will take place in Executive Session (Policy 1027) and will follow the procedures approved for impeachment (Policy 1030).

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1049

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Resignation of Officer

Policy:

An officer may resign at any time.

Procedure:

- A letter of resignation must be submitted to the presiding officer of the Board (in cases where the resignation being tendered is that of the Chair, the letter should be sent to the Vice Chair)

- The resignation shall be effective as of the date of the letter. Within ten (10) days receipt of the resignation, the presiding officer shall send written notification to all members of the Board and to the President.
- If the resignation is that of the Chair, the Vice Chair shall become Chair until the next meeting of the Board.
- If the resignation is of any office other than the Chair, the procedure established for filling vacancies of officers will be followed. (Policy 1050)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1050

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Vacancy of Office

Policy:

A vacancy is created upon the resignation or death of an officer or by the removal of an officer before the expiration of his/her term in office. The vacancy must be filled following the nomination and election process as stated in these policies. (Policies 1041, 1055)

(ARTICLE V - Section 7)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1051

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Standing Committees

Policy:

The Chair, after consultation with the President, will make committee appointments in accordance with the Bylaws. A majority of the membership of a standing committee shall constitute a quorum. The standing committees shall be as follows:

Academic Services Committee
 Executive Committee
 Nominating Committee
 Student Services Committee

Bylaws Committee
 Finance Committee
 Personnel Committee

The Development, Audit and Investment Committees will become subcommittees under the Finance Committee with the Chairs of each of the three subcommittees serving as members of the Finance Committee. The Finance Committee will be a standing committee. The Investment, Audit and Development subcommittees will meet prior to the meetings of the Finance Committee. Each Chair of the subcommittees will provide minutes and recommendations or a report at the time of the scheduled meeting of the Finance Committee.

Procedure:

- Each standing committee shall consist of a minimum of three (3) Trustees, one (1) of whom shall serve as Chair.
- The Chair of the Board of Trustees will be an ex officio member of all committees except the Executive and Nominating Committees.
- Board committees will be used to investigate, deliberate and analyze special issues on behalf of the Board. Board committees are not designed to do staff work.
- Committees, with the approval of the Chair of the Board and the President, may designate non Board members to assist with the execution of the duties of the committee.
- Committees will have only the powers specifically delegated to it by the Bylaws or these Policies.
- Committees are a subsidiary of the Board and will be expected to report their work to the full Board on a regular basis. Each committee will be expected to make recommendations to the Board for action, such recommendations to be made by a member of the committee in the form of a motion at a full meeting of the Board.
- The Chair of the Board, in accordance with the Bylaws, will appoint the Chairs and members of committees. Consideration should be given to the expertise and preference of the Trustees. Consideration should also be given to the continuity of each committee by including on committees Trustees whose terms expire at different times.
- Once selected, the committee Chair, after consultation with the Chair of the Board and the President, should call a meeting following the conditions and procedures outlined in the Bylaws and these policies.

(ARTICLE VI - Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1052

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Ad Hoc Committees

Policy:

Ad Hoc Committees may be appointed from time to time by the Board as is deemed necessary to investigate, deliberate and analyze special issues which have been determined not to fall under the responsibility of any standing committee.

Procedure:

- Once established, an ad hoc committee shall follow the procedures outlined for standing committees.
- Upon completion of its assigned responsibilities and making its final report to the Board, the ad hoc committee automatically ceases to exist.
- An ad hoc committee may not be appointed to perform a task which falls under the assigned function of a standing committee.

(ARTICLE VI - Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1053

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Executive Committee

Policy:

The Executive Committee shall exercise all powers of the Board at such times as the Board is not in session, except that it shall not have the power to alter or revoke any previous order, resolution or vote of an annual, regular or special meeting of the Board. It shall not have the power to convey or encumber real estate, elect or remove officers of the Board, elect or remove the President of the University, or amend the charter or Bylaws of the University.

Procedure:

The Executive Committee shall consist of the officers of the Board and elected Committee Chair. The President of the University and the Legal Counsel shall be ex officio to the committee.

- The Executive Committee shall meet quarterly.
- The Executive Committee shall report all its interim actions in writing at the next meeting of the Board for approval.
- All matters brought to the attention of the Executive Committee shall be directed to the appropriate committee with a request for study, analysis and a timely recommendation for presentation to the Board.
- The Executive Committee shall abide and adhere to the established committee structure in the consideration of all business except that of a clearly emergency nature.
- Special meetings of the Executive Committee may be called by the Chair upon the request of six (6) Trustees.

(ARTICLE VI - Section 2)

DATE APPROVED: 6/1974

DATE AMENDED: 2/1991; 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1054

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Finance Committee

Policy:

The Finance Committee shall (1) ensure that there is an up-to-date financial plan for the University with a recommended projection of at least five (5) years; (2) review the ensuing year's budgets, as prepared by the President, and present the same to the Board, with recommendations, at the Annual Meeting; and (3) recommend action on all requests for expenditures or incurring of obligations which are not included in the annual budget or the financial plan.

Procedure:

The Finance Committee shall consist of the Treasurer, who shall serve as Chair, and a minimum of two (2) members.

The Finance Committee shall:

- Monitor the monthly revenue and expense statements in conjunction with the current year's budget.
- Review the operating and capital budgets of the University on a quarterly basis.
- Review all requests for expenditure or for incurring obligations which are not included in the annual budget.
- To analyze recommendations on financing nonacademic services, programs and benefits for students, faculty, staff.

(ARTICLE VI - Section 3)

DATE APPROVED: 6/1974

DATE AMENDED: 6/2000; 4/2002

DATE RESCINDED:

CATEGORY#: 1055

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Nominating Committee

Policy:

The Nominating Committee shall (1) maintain a constant search to identify individuals best able to serve the University as Trustees; (2) present to the Board nominees for membership on the Board; (3) present to the Board nominees for elected committee positions and officers; and (4) receive, review and recommend to the Board nominees for honorary degrees.

Procedure:

The Nominating Committee shall consist of a Chair nominated by the Board Chair and affirmed by the Trustees at the Annual Meeting and members appointed by the Chair. The Nominating Chair and members of the Nominating Committee shall serve only one term and shall not be eligible for any elective office while serving on the Nominating Committee.

The Nominating Committee shall:

- Establish and maintain a listing of qualified candidates for consideration as Trustees. (Policy 1011)
- Send to the Secretary, 60 days prior to the Annual Meeting, a slate of candidates for election as Trustees.
- Send to the Secretary, 60 days prior to the Annual Meeting, a slate of candidates for election as officers and committee members. (Policy 1013)
- Receive from the President, Board members, etc. recommendations for candidates for honorary degrees. (Policy 1012)
- Review nominee's forth honorary degrees.
- Recommend to the Board nominees for honorary degrees.

(ARTICLE VI - Section 6)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY #: 1056

GENERAL CATEGORY: Board Operations

SPECIAC CATEGORY: Bylaws Committee

Policy:

The Bylaws Committee shall (1) review the Mission, Bylaws, Policies and Procedures of the University on an annual basis; (2) receive and evaluate recommendations for changes in the governance documents; (3) present recommendations to the Board for revisions to the governance documents of the University; and (4) continually assess and appraise the organization, operation, membership of the Board and attendance of its members to ensure that the objectives of the Board are being met. The Committee shall develop and maintain programs for the orientation of new Trustees and for the education of Trustees concerning issues confronting higher education and the University.

(Article VI - Section 7)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1057

GENERAL CATEGORY: Board Operations

SPECIAC CATEGORY: Development Subcommittee

Policy:

The Development Committee shall (1) develop and promote policies and plans for achieving the financial support for the University; (2) to create, coordinate and maintain a broad program of public relations and communications; and (3) to review and recommend policies, programs and leadership for fundraising.

(ARTICLE VI - Section 8)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1058

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Facilities Committee

Policy:

The Facilities Committee was eliminated and absorbed by the Development Committee.

(ARTICLE VI - Section 9)

DATE APPROVED: 6/1974

DATE AMDED: 4/2002/2005

DATE RESONDED:

CATEGORY#: 1059

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Academic Services Committee

Policy:

The Academic Services Committee shall periodically appraise the regular and special educational programs and activities of the University.

(ARTICLE VI - Section 10)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1060

GENERAL CATEGORY: Board Operations

SPEC AC CATEGORY: Student Services Committee

Policy:

The Student Services Committee shall assess and appraise the nonacademic aspects of student life and student personnel policies.

(ARTICLE VI - Section 11)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1061

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Church Relations Committee

Policy:

The Church Relations Committee was eliminated and absorbed by the Development Committee.

(ARTICLE VI - Section 12)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002; 3/2005

DATE RESCINDED:

CATEGORY#: 1062

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Personnel
Committee

Policy:

The Personnel Committee shall (1) ensure that an annual review of the salary and compensation of the President is performed; (2) conduct an annual performance review of the President; and (3) make recommendations to the Board based on the evaluations of the performance review.

(ARTICLE VI - Section -13)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1063

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Investment Subcommittee

Policy:

The Investment Subcommittee was redefined and is now a subcommittee under the Finance Committee with a Chair. The Investment subcommittee shall have the responsibility for managing the investment of the Endowment and shall recommend to the Board the determination of the annual distribution.

Procedure:

The Investment Committee shall:

- Supervise the investment of the University's Endowment.
- Develop and recommend an investment policy.
- Recommend and manage the Investment Management Consultant and portfolio.
- Determine the allocation of assets among various investment classes.
- Provide quarterly reports to the President and Executive Committee on the performance of the Endowment.

(ARTICLE VI - Section 4)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1064

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Audit Subcommittee

Policy:

The Audit Subcommittee was redefined and is now a subcommittee under the Finance Committee with a Chair. The Audit Subcommittee shall annually examine all funds over which the Board has direct or supervisory control.

(ARTICLE VI - Section 5)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1070

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Trustee Education

Policy:

A program of trustee development activities: shall be developed and maintained for the orientation of new Trustees and the continuing education of all Trustees concerning issues confronting higher education and the University.

Procedure:

Acknowledging that the need for trustee education and advocacy must be balanced by fiscal responsibility, the Bylaws Committee shall annually:

- Determine the educational needs of individual Board members, including the Student Trustee;
- Within 60 days of election/ratification, schedule a thorough orientation for new Trustees about the University, board operations, finance, board ethics, responsibility and liability.
- Determine the priorities for the representational needs of the University where representation by members of the Board would be appropriate. All Trustees seeking to represent the University must obtain prior approval of the Board due to budget constraints.
- Propose a level of funding for expenses to Include: publications and materials; training and in-service Board orientation programs; travel to conferences, conventions and seminars that will assist Board members to develop their governance skills.
- Assign Trustees to events in a fair and equitable manner, taking into account prior years' experience.
- Schedule adequate and timely opportunities for Trustees to report back to the Board relevant information gained through trustee development experiences.

DATE APPROVED: 4/2002 DATE

AMENDED:

DATE RESCINDED:

CATEGORY#: 1071

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Board Member Management of Concerns

Policy:

Any Board member contacted by a faculty or staff member, a student, an alumna/alumnus or member of the general public who has a concern or complaint about the University or persons within the University family will follow the designated procedure.

Procedure:

- Remember that individual Board members have no power or authority to speak or act for the full Board or the University;
- Listen to the person's concern;
- Express a desire to reach a satisfactory solution;
- Explain that the Board and the President have established a process for handling concerns which starts with the person most immediately responsible. Suggest that the concern be discussed with the person immediately responsible;
- Refer complaints, other than faculty, staff and student complaints, to the official complaint form available in the office of the President. Refer faculty, staff and students to the University-grievance procedure;
- Assure the person that the President will be informed of the concern;
- Ask the person to report back to you about the progress or resolution of the concern, if desired; and
- Inform the President of the complaint or concern.

Guidelines for Processing Concerns

From time to time situations may occur that create legitimate concerns on the part of the public or constituents of the University. Concerns must be aired so that all sides of the issue may be heard and a rational procedure/solution is found. Anyone feeling they have a concern is, therefore, encouraged to address their concern through the process established for that purpose. The nature of the concern should be stated as well as the relief sought.

Process for Persons Other Than University Personnel and Students to File a Complaint

Each step in this procedure will give consideration to the complaint and will be a review of facts. Each individual receiving the complaint will issue a written response within a specific time period. If remedy is not achieved through the steps, the Board is the final hearing body.

Formal Complaint Process

Step 1 - The formal process begins with the person filing the complaint. That person prepares a written statement containing: the condition, situation or individual being complained about and why; the name, address and telephone number of the complainant; and the requested remedy. The form should be signed, dated and filed with the office of the President.

Step 2 - A response should be received within twenty (20) days from the date it is received in the President's office.

Step 3 - If the complainant is not satisfied with the decision of the President, a copy of the complaint may be submitted to the Board of Trustees within twenty (20) days of receiving the President's disposition.

Step 4 - The Board will authorize and conduct a hearing, at which time testimony and other pertinent information will be gathered to assist in basing its decision. Once a decision has been reached, the complainant will be notified in writing. This decision is final.

Process for University Personnel and Students to File a Grievance

The objective of this policy is to promptly and harmoniously resolve grievances and to facilitate communications among faculty, staff, students and administration. This policy is part of the Personnel Manual but the general parameter is included here to make it clear to all Board members that they can and should refer University personnel and students to the grievance procedure.

Formal Grievance Process

Step 1 - The aggrieved will present the complaint verbally to the immediate supervisor(s) within five (5) days of the alleged violation or the date the aggrieved becomes aware of the alleged violation, whichever is later. The supervisor(s) receiving the complaint will attempt to resolve and implement resolution and will respond to the aggrieved in writing no later than five (5) working days from the date of the complaint.

Step 2 - If the grievance is not resolved at the Department level, the aggrieved may submit a written request for adjudication to the appropriate Vice President.

Step 3 - If the grievance is not resolved at the Vice Presidential level, the aggrieved may submit a written appeal to the President within five (5) working days of the date the response from Step 2 was due or received, whichever comes first.

Step 4 • If the grievance is not resolved at the Presidential level, the aggrieved may request hearing before the Board of Trustees.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

**SAINT AUGUSTINE'S UNIVERSITY
OFFICIAL COMPLAINT FORM**

Person filing complaint: _____

Where can you be reached: _____
Street Address

City State ZIP

Telephone: _____ Date: _____

Nature of Complaint: _____

Requested Remedy: _____

Response: _____

Signature Date

I am not satisfied with the decision of the President. I am requesting a hearing with the Board of Trustees.

Signature Date

CATEGORY#: 1081

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Formulation of Policies

Policy:

The Board shall be responsible for the adoption of written policies concerning the governance and operation of the University, contained in this Board Policy Manual. The Board may also adopt, from time to time, rules and regulations in furtherance of these policies. These policies shall be amended by a majority vote of the Board at a regular meeting. All policies and amendments to the policies shall become effective Immediately upon adoption. All amendments shall be promptly recorded in the Board Policy Manual.

(ARTICLE IX)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1082

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Formulation of Procedures

Policy:

The Board shall approve procedures to carry out the provisions of the Board Policy Manual. These procedures shall be amended by a majority vote of the Board.

(ARTICLE IX)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1083

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Distribution of Board Policy Manual

Policy:

A copy of the Board Policy Manual will be available at all times In the Offices of all Executive Council members and Division Chairpersons for review and inspection by employees and Board members. Each Board member will be given a current policy manual within thirty (30) days of amendment, addition or rescission.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1091

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Board/President Relationships

Policy:

When dealing with the President, the Board shall:

- Be sympathetic and understanding of the difficult position of the President in carrying out the leadership responsibilities amid the wants and concerns of students, faculty, staff, alumni and the public.
- Seek the advice and counsel of the President regarding matters of policy before making a final decision.
- Give full confidence and support realizing that the chief executive needs this assistance in order to perform with maximum effectiveness.
- Expect it's Chair to work particularly closely with the President to promote and facilitate the best possible communication and cooperation between the Board and its President.
- Inform the President immediately of any questions or concerns about the University so that appropriate follow-up actions can be taken.
- Help assure the orderly operation of the University by insisting that employees make use of established channels before bringing their concerns to the Board.
- Require that the interests and welfare of the entire University community be considered before those of any special interest group.
- Assist the President by supporting fully all Board decisions once they have been made, even though the vote may have been divided.
- Inform the President immediately of any concerns regarding performance, conduct or style that, in the opinion of the Board, require attention.
- Provide the President with adequate time to correct any deficiencies noted.
- Exert every effort to conduct discussions relating to contract termination in a professional manner, always being sensitive to the potential for damage to both the University and the President.
- Avoid discussing with the public contractual difficulties or agreements regarding job separation that may be reached with the President.
- Give the President a reasonable period of time to find another position if job separation is required.

(ARTICLE II - Section 70, ARTICLE VII - Sections 1 & 2)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1092

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Delegation of Responsibility

Policy:

The Board delegates to the President responsibility for policy interpretation to the students, faculty, staff, alumni and public. The Board also delegates to the President responsibility for rule making, Issuance of procedural directives and guides not specifically covered or detailed in the Board Policy Manual. Such interpretations, rules and directives have the force of Board regulations unless and until superseded by Board action.

(ARTICLE I - Section 4, ARTICLE II - Section 7)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 1093

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: Staff Support to the Board

Policy:

The President shall assign staff support to the Board officers and committees after consultation with the Chair.

(ARTICLE VII - Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 1094

GENERAL CATEGORY: Board Operations

SPECIFIC CATEGORY: References

Policy:

No employee or Board member of the University will provide performance references for or about former employees. When requests for such references are received, with appropriate releases from the former employee, they will be referred to the Office of the President. The President will provide the requesting party only the dates of employment for the former employee and a copy of this policy statement.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

2000 **MANAGEMENT**

- 2001 President/Board Relationship
- 2002 Delegation of Management Authority
- 2003 Line of Responsibility/Chain of Command
- 2006 Communication
- 2007 Areas of Executive Responsibility
- 2008 Job Performance - Monitoring
- 2009 Evaluation
- 2010 Compensation
- 2011 Resignation/Termination

CATEGORY#: 2001

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: President/Board Relationship

Policy:

When dealing with the Board of Trustees, the President shall:

- Keep Board members fully informed regarding the state of the institution - its strengths, opportunities for improvement, and progress toward achieving its objectives.
- Recommend to the Board for its consideration and approval those policies or policy changes considered important for effective operation of the University.
- Provide the Board with careful study and advice regarding all policy proposals initiated by the Board.
- Support Board decisions and exercise maximum effort to implement such decisions, even though they may have been made without or even against one's recommendation.
- Treat all members of the Board equally. Maintain a professional and evenhanded stance in the unhappy event of a division of the Board or of unfriendly relations among Board members.
- Be sympathetic and understanding of the difficult position of Board members in representing the University's many publics and assist them to the best of one's ability to discharge their roles in an effective fashion.
- Represent individual members of the Board in a professional and supportive manner to all factions of the public, even though the President may privately disagree with the stand or behavior of a Board member.
- Provide the Board with a professional and objective assessment of any opportunities the President sees to improve its operation and general functioning.

- Avoid public utterances or actions which will discredit the Board, undermine public confidence, or otherwise serve to damage the image of the University.
- Work closely with the Board and particularly so with its Chair so that the University community will benefit from a strong and coordinated team approach.
- Provide maximum assistance to new members in their indoctrination to Board membership.
- Provide the Board with appropriate advance notice of plans to resign or seek another position.
- Avoid discussing with the public contractual difficulties or agreements regarding job separation that may have been reached with the Board.

(ARTICLE II - Section 7, ARTICLE VII)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 2002

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: Delegation of Management Authority

Policy:

The Board delegates to the President the authority to establish management policies, make decisions, take actions and develop activities which are true to Board policies and consistent with approved Board procedures.

Procedures:

- Acting with the authority granted above, the President may not perform, allow or cause to be performed, any act which is unlawful, insufficient to meet commonly accepted business and professional ethics for the "prudent person" test, in violation of funding source requirements or regulatory bodies or contrary to explicit Board constraints on executive authority.
- The Board will give appropriate deference to, but may challenge, the President's choices so long as the delegation continues. This does not prevent the Board from obtaining information about the activities in the delegated areas.

Requests for information by Board members acting within the areas of their Board responsibilities will be processed in a timely manner.

(ARTICLE II - Section 7D, ARTICLE VII)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 2003

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: Line of Responsibility/Chain of Command

Policy:

The University shall operate under an administrative system headed by the President.

Procedures:

- The authority of the Board is transmitted through the President along specific paths from person to person as shown in the organization chart.
- The lines of authority represent direction of authority and responsibility.
 - The lines are those approved by the Board and are intended to establish clear understanding on the part of all personnel of the working relationships in the University.
- Personnel are expected to refer matters requiring administrative action to the administrator to whom they are responsible.
- Personnel are expected to keep the person to whom they are immediately responsible informed of their activities by appropriate action.
- All Board members, faculty, staff, students and alumni are expected to respect and follow the chain of command when communicating concerns about the University.
- Board members will not take complaints, suggestions, requests or demands to the staff except through the President.
- Board members who receive commendations, suggestions, requests or complaints from members of the University community will direct the person to the appropriate reporting procedure and will they report the communication to the President.
- The President is responsible for ensuring that all reported communications and the resulting actions are taken and documented.

(ARTICLE VII - Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 2006

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: Communication

Policy:

The President shall provide information and counsel to the Board.

Procedure:

- Make the Board aware of special events, relevant trends, material external and internal changes and the assumptions upon which any Board policy has previously been established.
- Submit required monitoring data in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies being monitored.
- Marshal as many staff and external points of view, issues and options as needed for fully Informed Board choices.
- Present information in a form that is understandable and of reasonable length.
- Should a situation arise wherein the President deems it unwise to comply with a Board policy, he/she will immediately inform the Board and all Trustees. Informing is simply to guarantee no violation may be intentionally kept from the Board. Board response at that time does not exempt the President from subsequent Board judgment of the action.

(ARTICLE VII – Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 2007

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: Areas of Executive Responsibility

Policy:

In the area of human resources, the President relates to the faculty, staff and to the students of the University but has ultimate responsibility to the Board.

For the University staff, the President:

- Supervises and directs key staff in the performance of their duties.
- Evaluates the performance of key staff members.
- Provides overall control of and direction for the personnel of the University, including active participation in or approval of personnel actions.

In the area of planning the President:

- Evaluates the services being provided by the University in relations to specified goals and standards, and recommends modifications where appropriate.
- Recommends new programs to the Board.

In the area of finance, the President:

- Prepares the University budgets and is accountable for control of these resources once approved.
- Directs all financial operations of the University.

In the area of interagency relations, the President:

- Maintains appropriate relations with other professional and service groups in the community.
- Maintains appropriate relations with federal, state and local government units.
- Maintains appropriate relations with other agencies in similar fields of service.

In the area of the University organizational operations, the President:

- Recommends policies to the Board and/or assists the Board in the formulation of policies for the effective and economical operation of the University and its programs.
- Ensures implementation of the policies adopted by the Board.
- Has chief administrative responsibility for maintenance of agency facilities and regular reporting to various bodies.
- Carries chief staff responsibility to ensure that legal obligations of the University are met.

(ARTICLE VII - Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 2008

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: Monitoring Job Performance

Policy:

The Board shall monitor the President's performance of the delegated duties. The purpose of the monitoring shall be:

- To determine the degree to which the Board's policies are being fulfilled;
- To promote professional excellence and improve the skills of the President;
- To Improve the quality of the education received by the students of the University; and
- To provide a basis for the performance review of the President.

The Board shall monitor by:

- Being knowledgeable on the current goals, objectives, policies, instructional priorities, statutory requirements, operating procedures of the University;
- Careful attention to all reports delivered to the Board; and
- An annual written evaluation of the President's job description.

(ARTICLE II - Section 7, ARTICLE VI - Section 11)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 2009

GENERAL CATEGORY: Management

SPECIF C CATEGORY: Evaluation Process

Policy:

The Board shall evaluate the work performance of the President annually. The evaluation shall be facilitated by the Personnel Committee. All Trustees will have the opportunity to participate in the evaluation process.

Procedure:

- The process begins with a review of the current job description by the Personnel Committee to determine accuracy and appropriateness.
- The Personnel Committee next develops an evaluation checklist based upon the job description and organization objectives;
- Respondents will be asked to rate the President's performance against each line item on the checklist.

_____ very good
 _____ acceptable
 _____ needs improvement
 _____ unacceptable

Space should be allowed on the checklist at each line item for comments.

- The Committee mails the checkliSt.to all Board members with a self-address stamped envelope so that all evaluations are returned to the home or business address of the Board Chair. A request is sent with the evaluation form to complete within ten (10) days. Respondents, have the option of signing or not-signing their evaluation forms.

- Constructive criticism from Board members should be specific so that appropriate corrective action may be taken by the President;
- A copy of the evaluation checklist is also mailed to the President with the request to complete a self-evaluation and recommend performance for the upcoming year. The form completed will not be included in the Board's compilation of results.
- When the Board members have returned the evaluation forms, the Chair and the Personnel Committee make up a composite checklist which, by like item, indicates the number of responses for each rating. All comments are randomly listed without identifying the source of each comment.
- The full Board meets without the President present to review the composite evaluation and performance objectives for the upcoming year. The Board must reach consensus on each item in the checklist.
- The full Board meets with the President to present the Board's conclusions about the evaluation. Should the President be in serious disagreement with part or all of the evaluation, the right to respond to the Board must be available. Such a response should lead to a dialogue in which the problem can be resolved in a candid and professional way.
- The final agreed upon evaluation should be signed by both the President and the Board Chair. A copy of the evaluation is given to the President and the original evaluation is kept on file by the Chair to be passed on to the next Board Chair. A copy of the evaluation is not kept in the personnel office.

Board members will not solicit information regarding the President's performance from subordinate staff. The Board Chair, as part of the Annual evaluation may seek confidential feedback from faculty and/or staff regarding the performance of the President.

(ARTICLE VI - Section 11, ARTICLE VII)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 2010

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: Compensation

Policy:

Compensation for the President shall be determined after completion of the evaluation.

(ARTICLE VI - Section 11)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 2011

GENERAL CATEGORY: Management

SPECIFIC CATEGORY: Resignation/Termination

Policy:

The President's employment with the University may end before the expiration of the contract in effect; either by resignation or termination for cause. Resignation shall be upon written notice to the Board and in accordance with the Board/President contract In effect. Termination for cause shall be upon written notice to the President and in accordance with the Board/President contract in effect.

(ARTICLE VII - Section 3)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

3000 FINANCE

3001 Accounting Year

3002 Financial Management

3003 Budget

3004 Budget Amendments

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3031 Cash Receipts Processing

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3036 Purchase Orders

3037 Request for Payment

3040 Sale of Surplus Equipment

3041 Travel Reimbursement

3042 Expense Reimbursement

3066 Debt Write Off

CATFGORY: 3001
GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Accounting Year

Policy:

The accounting fiscal year will be from July 1through June 30. All accounting records will be maintained on the fiscal year basis to include budget data and year-end closing activities and reports.

Procedure:

- The amount available for specially funded projects that overlap fiscal years will be listed in full on the budget at the beginning of each project.
- Any unexpended budget balance remaining in these restricted funds as of the close of the fiscal year, June 30, will then be reestablished as the budget for the specially funded account into the ensuing year. This allows the monthly budget balance reports to continually reflect the actual budget balance remaining of total funds authorized.
- The annual audit/financial statement will be presented to the Finance Committee, the Audit Subcommittee and the Executive Committee within ninety (90) days of the close of the fiscal year.

(ARTICLE I - Sections 5 & 6)

DATE APPROVED: 6/1974
DATE AMENDED: 4/2002
DATE RESCINDED:

CATEGORY#: 3002

GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Fiscal Management

Policy:

The financial resources of the University are the responsibility of the Board and the President. The Board shall:

- Have a clear plan for acquisition of financial resources to pay for the programs and services provided by the University.
- Provide guidelines for management and allocation of financial resources which will provide optimum benefit.
- Monitor and evaluate the financial plans and guidelines of the University to ensure the financial Integrity of the University.

(ARTICLE II - Section 7G & I)

DATE APPROVED: 6/1974
DATE AMENDED: 4/2002
DATE RESCINDED:

CATEGORY#: 3003

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Budget

Policy:

An annual operating budget for the University will be prepared by the President and presented to the Finance Committee at least 60 days prior to the Annual Meeting. The budget will reflect the cost of carrying out the programs and services of the University for the next fiscal year. This budget will also reflect the anticipated revenues of the University.

A list of anticipated major capital expenditures should be included with the annual budget submitted to the Board for approval.

(ARTICLE IV - Section 1; ARTICLE VI - Section 3; ARTICLE VII - Section 1)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY: 3004

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Budget Amendments

Policy:

Amendments to the budget will be presented for approval for any of the following reasons:

- The University plans to enter into contracts that were not included in the approved budget.
- A major expenditure that was not included in the approved budget is proposed.
- Significant unanticipated revenues are received, unanticipated investment losses or cost overruns occur.

(ARTICLE VI - Section 3)

DATE APPROVED: 6/1974

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 3005

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Financial Reports

Policy:

Reports reflecting the financial condition of the University will be presented to the Finance Committee and the Executive Committee monthly. These financial reports will include:

- At least quarterly status of expenditures on major capital project.
- Monthly statement of cash flow.
- Monthly revenue and expense statement for the month and year-to-date with comparison to the budget.

(ARTICLE VI - Section 3)

DATE APPROVD: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 3006

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Investment Practices

Policy:

Funds not required for current operations will be Invested according to an investment plan approved and revised annually by the Board upon recommendation of the Investment Committee.

Investments with a maturity of less than one year may be made at the discretion of the President within the guidelines of the plan approved by the Board.

Saint Augustine's University

STATEMENT OF INVESTMENT POLICY

Adopted by Saint Augustine's University Investment Committee on May 4,2012

**Saint Augustine's
University
Statement of Investment Policy, Objectives, and
Guidelines**

GENERAL INFORMATION

**Saint Augustine's
University**

1315 Oakwood Avenue
Raleigh, NC 27610

SCOPE OF THIS INVESTMENT POLICY

This statement of investment policy reflects the investment policy, objectives, and constraints of the entire Saint Augustine's University Endowment.

PURPOSE OF THIS INVESTMENT POLICY STATEMENT

This statement of investment policy is set forth by the Investment Committee of Saint Augustine's University In order to:

1. Define and assign the responsibilities of all Involved parties.
2. Establish a clear understanding for all involved parties of the investment goals and objectives of Endowment assets.
3. Offer guidance and limitations to all Investment Managers regarding the investment of Endowment assets.
4. Establish a basis for evaluating investment results.
5. Manage Endowment assets according to applicable prudent standards of care for trustees as established in common trust law.
6. Establish the relevant investment horizon for which the Endowment assets will be managed.

In general the purpose of this statement is to outline a philosophy and attitude which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

DELEGATION OF AUTHORITY

The Investment Committee of the Saint Augustine's University is a fiduciary, and is responsible for directing and monitoring the Investment management of Endowment assets. As such, the Investment Committee is authorized to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to:

1. Investment Management Consultant. The consultant may assist the Investment Committee in: establishing policy, objectives, and guidelines; selecting investment managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
2. Investment Manager. The investment manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Endowment's investment objectives.
3. Custodian. The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Endowment, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Endowment accounts.
4. Co-Trustee. The Investment Committee may appoint an outside individual or entity, such as a bank trust department, to be co-trustee. The Co-trustee will assume fiduciary responsibility for the administration of Endowment assets.
5. Additional specialists such as attorneys, auditors, actuaries, retirement plan consultants, and others may be employed by the Investment Committee to assist in meeting its responsibilities and obligations to administer Endowment assets prudently.

The Investment Committee will not reserve any control over investment decisions, with the exception of specific limitations described in these statements. Managers will be held responsible and accountable to achieve: the objectives herein stated. While it is not believed limitations will hamper investment managers, each manager should request modifications which they deem appropriate.

DEFINITIONS

1. "Endowment" shall mean the Saint Augustine's University Endowment.
2. "Investment Committee" shall refer to the standing committee of Saint Augustine's University governing board established to administer the Endowment as specified by applicable ordinance.
3. "Fiduciary" shall mean any individual or group of individuals that exercise discretionary authority or control over fund management or any authority or control over management, disposition or administration of the Endowment's assets.
4. "Investment Manager" shall mean any individual, or group of individuals, employed to manage the investments of all or part of the Endowment's assets.
5. "Investment Management Consultant" shall mean any individual or organization employed to provide advisory services, including advice on investment objectives and/or asset allocation, manager search, and performance monitoring.
6. "Securities" shall refer to the marketable investment securities which are defined as acceptable in this statement.
7. "Investment Horizon" shall be the time period over which the investment objectives, as set forth in this statement, are expected to be met. The investment horizon for this Endowment is 3-5 years.

ASSIGNMENT OF RESPONSIBILITY

Responsibility of the Investment

Consultant(s)

The Investment Consultant's role is that of a non-discretionary advisor to the Investment Committee of Saint Augustine's University. Investment advice concerning the investment management of Endowment assets will be offered by the Investment Consultant, and will be consistent with the investment objectives, policies, guidelines and constraints as established in this statement. Specific responsibilities of the Investment Consultant include:

1. Assisting in the development and periodic review of investment policy.
2. Conducting investment manager searching when re-requested by the Investment Committee.

3. Monitoring the performance of the Investment Manager(s) to provide the Investment Committee with the ability to determine the progress toward the investment objectives.
4. Communicating on a timely basis matters of policy, manager research, and manager performance to the Investment Committee.
5. Reviewing Endowment investment history, historical capital markets performance and the contents of this investment policy statement to any newly appointed members of the Investment Committee.

Responsibility of the Investment Manager(s)

Each Investment Manager will have full discretion to make all investment decisions for the assets placed under jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the Investment Manager(s) include:

1. Discretionary investment management Including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
2. Reporting, on a timely basis, quarterly investment performance results. Investment Manager(s) will make them available for a face-to-face presentation to the Investment Committee at least once annually, at the discretion of the Investment Committee.
3. Communicating on a timely basis any major changes to economic outlook, investment strategy, or any other factors which affect Implementation of investment process, or progress toward the investment objective of the Endowment.
4. Informing the Investment Committee on a timely basis regarding any qualitative change to investment management organization. Examples include changing in portfolio management personnel, ownership structure, investment philosophy, etc.
5. Voting proxies, if requested by the Investment Committee, on behalf of the Endowment, and communicating such voting records to the Investment Committee on a timely basis.

GENERAL INVESTMENT PRINCIPLES

1. Investment shall be made solely in the interest of the beneficiaries of the Endowment.
2. The Endowment shall be invested with the care, skill, prudence, and diligence under the circumstances the prevailing that a prudent person acting in like capacity and familiar with such matters would use in the investment of a fund of like character and with like alms.
3. Investment of the Endowment shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
4. The Investment Committee may employ one or more investment managers of varying styles and philosophies to attain the Endowment's objectives.
5. Cash is to be employed productively at all times, by investment in short-term cash equivalents to provide safety, liquidity, and return.

INVESTMENT MANAGEMENT POUCY

1. Preservation of Capital - Consistent with their respective investment styles and philosophies, investment managers should make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.
2. Risk Aversion - Understanding that risk is present in all types of securities and investment styles, the Investment Committee recognizes that some risk is necessary to produce long- term investment results that are sufficient to meet the Endowment's objectives. However, the investment managers are to make reasonable efforts to control risk, and will be evaluated regularly to ensure that the risk assumed is commensurate with the given Investment style, objectives, and incremental return.
3. Adherence to Investment Discipline-Investment managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

ATIITUDE TOWARD GIFTS

Future giving (contributions) to this Endowment may or may not be consistent. Therefore, the Investment Committee has set an investment strategy with the objective of at least maintaining purchasing power of Endowment assets before consideration of gifts. Any future giving would serve to increase purchasing power. Therefore, expectations may be expressed by the following equation:

Total Return= Spending + Inflation+ Expenses, while Giving = Increase in Purchasing Power

SPENDING POLICY

Annual contributions from the Endowment to the operating budget of the University shall be the **lesser** of (1) 5% of the "portfolio value" as defined below or (2) 100% of the total Return of the portfolio, less inflation and Expenses. ...

Spending- Moving Average Determination

This endowment will use the moving average method of determining year to year spending in order to smooth distribution from the aggregate portfolio. The "portfolio value" as mentioned under **Spending Policy** section and referenced throughout this statement will be determined based on a 3 year average of portfolio market value, with a budgeted lead of one year. (That is, the moving average will be determined one year before the fiscal year in which the funds are to be spent.) This policy serves two purposes. First, it provides for more consistent and predictable spending for the programs supported by this Endowment. Second, it allows the Board of Trustees to design an Investment strategy which is more "aggressive" with a higher investment performance. With the annual determination method, there is a tendency to pay out the "excess" earnings during periods of underperformance. Over the long-term, this may result in an erosion of real principal. Therefore, by smoothing the spending, the Endowment reduces the likelihood of real principal erosion due to portfolio volatility.

INVESTMENT OBJECTIVES

In order to meet its needs, the investment strategy of the Saint Augustine's University is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income.

Specifically, the primary objective in the investment management for Endowment assets shall be:

Preservation of Capital- To minimize the probability of loss of principal over the investment horizon. Emphasis is placed on minimizing return volatility rather than maximizing total return.

The secondary objective in the investment management of Endowment assets shall be:

Preservation of purchasing Power- To achieve returns in excess of the rate of Inflation over the investment horizon in order to preserve purchasing power of Endowment assets. Risk control is an important element in the investment of Endowment assets.

SPECIFIC INVESTMENT GOALS

Over the investment horizon established in this statement, it is the goal of the aggregate Endowment assets to exceed:

The return of a balanced market index comprised of 15.0% Russell 1000 Value Index;
15.0% Russell 3000 Growth Index; 15.0% Russell 2000 Value Index; 15.0% MSCI EAFE (Europe, Australia & Far East) Index; 10 % HFRI Diversified FOF Index and
30.0% BCI Government/Credit Bond Index.

The investment goals above are the objectives of the aggregate Endowment, and are not meant to be imposed on each investment account (If more than one account is used). The goal of each investment manager, over the investment horizon, shall be to:

1. Meet or exceed the market index, or blended market index, selected and agreed upon by the Investment Committee that most closely corresponds to the style or investment management.
2. Display an overall level of risk in the portfolio which is consistent with the risk associated with the benchmark specified above. Risk will be measured by the standard deviation of quarterly returns.

Specific investment goals and constraints for each investment manager, if any, shall be incorporated as part of this statement of investment policy.

DEFINITION OF RISK

The Investment Committee realizes that there are many ways to define risk. It believes that any person or organization involved in the process of managing the Saint Augustine's University assets understands how it defines risk so that the assets are managed in a manner consistent with the Endowment's objectives and investment strategy as designed in this statement of investment policy. The Investment Committee defines risk as:

The probability of losing money over any time period. LIQUIDITY

To minimize the possibility of a loss occasioned by the sale of a security forced by the need to meet a required payment, the Investment Committee will periodically provide investment counsel with an estimate of expected net cash flow. The Investment Committee will notify the investment consultant in a timely manner, to allow sufficient time to build up necessary liquid reserves.

MARKETABILITY OF ASSETS

The Investment Committee requires that all of Endowment assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Endowment, with minimal impact on market price.

INVESTMENT GUIDELINES

Allowable Assets

1. Cash Equivalents
 - Treasury Bills
 - Money Market Funds
 - STIF Funds
 - Commercial Paper
 - Banker's Acceptances
 - Repurchase Agreements
 - Certificates of Deposit
2. Fixed Income Securities
 - U.S. Government and Agency Securities
 - Corporate Notes and Bonds
 - Mortgage Backed Bonds
 - Preferred Stock
 - Dollar-denominated Fixed Income Securities of Foreign Government and Corporations
3. Equity Securities
 - Common Stock
 - Convertible Notes & Bonds
 - Convertible Preferred Stocks
 - American Depository Receipts (ADRs) of Non-U.S. Companies
 - Stocks of Non-U.S. Companies (Ordinary Shares)
4. Mutual Funds
 - Mutual Funds which invest in securities as allowed in this statement.
5. Other Assets
 - GIC's
6. Alternative Investments
 - Arbitrage Funds
 - Global Macro
 - Currency
 - Managed Futures
 - Hedge Funds

Derivative Investments

The Board understands that mutual funds as a matter of course utilize futures and options (as the S&P 500 Index) to limit risk. Hedge fund managers also utilize futures and options to limit

risk. Separate account managers in traditional investment strategies should not find it necessary to utilize futures and option contracts.

Short Selling Transactions

The Board realizes that short selling is implicit in some hedge fund strategies. Separate account managers in traditional investment strategies are prohibited from short selling.

Hedge Funds

The board has determined that hedge mutual funds should be utilized in lieu of separate accounts managers to increase transparency and provide for greater liquidity.

Margin Transactions

Margin and the use of leverage by traditional asset class managers are prohibited.

Asset Allocation Guidelines

Investment management of the assets of the Fund shall be in accordance with the strategic asset allocation parameters set forth in the asset allocation section of this document.

The Board may employ Investment managers whose investment disciplines require investment outside the established asset allocation guidelines. However, taken as a component of the aggregate Fund, such disciplines must fit within the overall asset allocation guidelines established in this statement. Such investment managers will receive written direction from the Board regarding specific objectives and guidelines.

Stock Exchanges

To ensure marketability and liquidity, investment advisors will execute equity transactions through the following exchanges: New York Stock Exchange; American Stock Exchange; and NASDAQ over-the-counter market. In the event that an Investment Manager determines that there is a benefit or a need to execute transactions in exchanges other than those listed in this statement, written approval is required from the Board.

Asset Allocation Guidelines

Investment management of the assets of the Saint Augustine's University shall be in accordance with the following asset allocation guidelines:

1. Aggregate Endowment Asset Allocation Guidelines (at market value)

Asset Class	Minimum	Target	Maximum
Large Cap Equity	11.1%	15.0%	18.9%
Mid Cap Equity	10.5%	15.0%	19.5%
Small Cap Equity	10.2%	15.0%	19.8%
International Equity	10.8%	15.0%	19.2%
Alternative Strategies Portfolio	8.2%	10.0%	11.8%
Fixed Income	27.5%	30.0%	32.5%
Cash	0.0%	0.0%	2.0%
Total		100.0	

2. The Investment Committee may employ investment managers whose investment disciplines require investment outside the established asset allocation guidelines. However, taken as a component of the aggregate Endowment, such disciplines must fit within the overall asset allocation guidelines established in this statement. Such investment managers will receive written direction from the Investment Committee regarding specific objectives and guidelines.

3. The Investment Consultant will review the overall asset allocation on a quarterly basis, and inform the Investment Committee of any violation of the minimal or maximum weighting for each asset class. In the event that the above aggregate asset allocation guidelines (minimum and maximum) are violated, for reasons including but not limited to market price fluctuations, the Investment Committee will instruct the Investment Manager(s) to bring the portfolio(s) into compliance with these guidelines as promptly and prudently as possible. Rebalancing of the portfolio may also occur at the discretion of the Investment Committee and should be reviewed at least annually.

4. In the event that any individual Investment Manager's portfolio is in violation with its specific guidelines for any reason, the Investment Manager will bring the portfolio into compliance with these guidelines as promptly and prudently as possible without instruction from the Investment Committee.

5. The Alternative Strategies Portfolio listed above is a diversified basket of alternative strategy mutual funds designed to complement a traditional long-only strategy. This sub-allocation is managed by Wells Fargo Advisors Manager Strategy Group under title FW1d Source Alternative Strategies platform. The allocation as of January 2012 is included in Addendum B.

Diversification for Investment Managers

The Investment Committee does not believe it is necessary or desirable that securities held in the Endowment represent a cross section of the economy. However, in order to achieve a prudent level of portfolio diversification:

1. The securities of any one company or government agency should not exceed, at purchase, 5% of the each investment manager's portfolio; and
2. For each Investment Manager's portfolio, no more than the greater of 20% or 1.5 times the Investment Manager's primary benchmark weighting should be invested in any one industry.

General Guidelines for Fixed Income Investments and cash Equivalents

Guidelines for specific fixed income strategies are included in a separate addendum to this policy. Guidelines found in the addendum are unique to certain fixed income strategies. In regard to all other fixed income strategies, the following guidelines apply:

1. Endowment assets may be invested only in bonds rated B (or equivalent) or better, subject to item #2 below.
2. Allocations to bonds rated below investment grade (BBB or better) may be made only in conjunction with a full review of the Asset Allocation guidelines of the entire Saint Augustine's University Endowment.
3. The Investment Manager should diversify sufficiently to avoid undue risk associated with any single security.
4. Endowment assets may be invested only in commercial paper rated A1 (or equivalent) or better.
5. Fixed income maturity restrictions are as follows:
 - Weighted average portfolio maturity *may* not exceed 15 years.
6. Money Market Funds selected shall contain securities whose credit rating at the absolute minimum would be rated investment grade by Standard and Poor's, and/or Moody's.

SELECTION OF INVESTMENT MANAGERS

The Investment Committee' selection of investment Manager(s) must be based on prudent due diligence procedures. A qualifying investment manager must be registered investment advisor under the Investment Advisors Act of 1940, or a bank or insurance company.

INVESTMENT MANAGER PERFORMANCE REVIEW AND EVALUATION

Performance reports generated by the Investment Consultant shall be compiled at least quarterly and communicated to the Investment Committee for review on a timely basis. The Investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Investment Committee intends to evaluate the portfolio(s) over at least a three-year period, but reserves the right to terminate a manager for any reason including the following:

1. Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results. (See addendum for specific retention guidelines)
2. Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.
3. Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organization and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

MANAGER RETENTION GUIDELINES

Each asset class or Investment style employed in the University Investment Program has an Index Benchmark, which is used in the asset allocation modeling process. This "proxy" for the asset class is measurable in two dimensions, rate of return and risk. The selected indices are used to develop the overall risk/return profile for the investment program, therefore it is also appropriate to use these indices as one of the evaluation tools for both hiring and retaining an investment management firm. Comparison to an index gauges success relative a broad market in which the manager invests, however, this measurement is insufficient in isolation. Comparison to a manager's peer universe provides a useful compliment to the Index comparison as it reveals a manager's relative rank to other alternative manager candidates.

The following quantitative tests measure each manager's return and risk. Each test will be applied quarterly to determine if a new manager search process is to be initiated by the Investment Consultant:

An existing manager's composite return fails to exceed the appropriate index benchmark for three successive rolling 3-year periods, advancing 1 quarter at a time.

An existing manager's composite return versus their appropriate universe comparison fails to achieve top 50 percentile performance for three successive rolling 5-year periods, advancing 1 quarter at a time.

An existing manager's risk (as measured by the standard deviation of the manager's composite return) falls to be below 120% of the standard deviation of the appropriate index benchmark over a 3-year and 5-year trailing basis.

An existing manager's risk versus return (as measured by the Sharpe ratio of the manager's composite return) fails to exceed the Sharpe ratio of the manager's appropriate index benchmark over a 3-year and 5-year trailing basis.

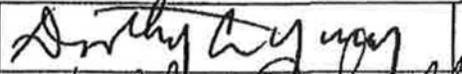
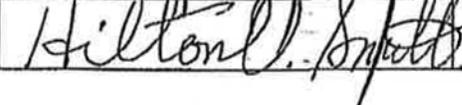
For each of the above requirements manager composites will be utilized accessing the longest applicable historical information available, regardless of the manager's tenure with the University. The subject manager will be treated as a candidate in the search process.

Additional measures will also be employed in the evaluation process, as determined by the Investment Consultant, including but not limited to violation of policy guidelines, staff turnover, change in firm ownership and style drift.

INVESTMENT POLICY REVIEW

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy, the Investment Committee plans to review investment policy at least annually.

This statement of investment policy is adopted on May 19, 2010 by the Chairperson of the Investment Committee and the Chairperson of the Board of Saint Augustine's University whose signatures appear below.

	Dr. Dorothy Cowser Yancy
	Hilton O. Smith

Addendum A:

PIMCO_ Total Return for Managed Accounts Guidelines

INVESTMENT OBJECTIVE- The PIMCO Total Return for Managed Accounts seeks maximum total return consistent with preservation of capital and prudent investment management

The PIMCO Total Return Product seeks to achieve its Investment objective by normally investing substantially all of its net assets in a portfolio of U.S. and Non-U.S. fixed income instruments including but not limited to the following types:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Obligations of non -U.S. governments and their subdivisions, agencies and government sponsored enterprises
- Obligations of international agencies or supranational entities
- Mortgage-related and other asset-backed securities
- Corporate Debt Securities, including convertible securities and commercial paper
- Inflation-indexed bonds
- Structured notes, including hybrid or "indexed" securities, event-linked bonds and loan participations
- Delayed funding loans and revolving credit facilities
- Bank certificates of deposit, fixed time deposits and bankers acceptances
- Debt securities, issued by states or local governments and their agencies, authorities and other Instrumentalities
- Derivative Instruments that have economic characteristics similar to securities referenced above.

BENCHMARK: Barclays Aggregate Bond Index

PORTFOLIO DURATION: The average portfolio duration of the portfolio normally varies within two years (plus or minus) of the duration of the Barclays Aggregate Bond Index. Portfolio Duration will vary at the manager's discretion depending on the manager's outlook for interest rates, the economy, and other factors.

CREDIT QUALITY MINIMUMS

The investment manager will apply quality ratings using the higher of Moody's, S&P or Fitch. If an issue is not rated by one of these rating agencies, then the Manager will determine a rating.

Minimum Average Portfolio Quality: A- Rating

Minimum Issue Quality: B- Rating

Minimum Commercial Paper Quality: A2/P2

Should an Issue be downgraded below these minimums, the Manager will determine the appropriate action (sell or hold) based on the perceived risk and expected return.

INVESTMENT RESTRICTIONS

1) Can invest up to 15% in any one issuer (at market) at the time of purchase. This restriction does not apply to securities issued or guaranteed by the U.S. government or its agencies and instrumentalities.

2) Can invest up to 25% in any one industry (at market) at the time of purchase.

3) Can invest up to 10% in the outstanding voting securities of any one issuer.

4) Can invest up to 15% in illiquid securities being defined to include repurchase agreements maturing in more than seven days, certain loan participation interests, fixed time deposits which are not subject to prepayment or provide withdrawal penalties upon prepayment, or other securities legally considered illiquid or in the Adviser's opinion are deemed illiquid.

5) Within the directly held securities in the managed accounts, we will not allow the following:

- a. Residual REMICS
- b. Securities purchased on margin
- c. Repurchase Agreements and Reverse Repurchase Agreements
- d. Limited Partnerships

6) Within the FISH shares, will not allow the purchase of Residual REMICS.

7) The Product may invest up to 30% of its total assets in securities denominated in foreign currencies, and may invest beyond this limit in U.S. dollar-denominated securities of foreign issuers. The Product may invest up to 15% of its total assets in securities of issuers that are economically tied to emerging market countries. The Product will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 20% of its total assets.

Note: Clients whose assets are invested in the PIMCO Total Return product will have a portion of their assets invested in commingled vehicles. PIMCO Total Return product, under normal conditions, will invest in these vehicles. When a client's assets are invested in these vehicles, such assets will be managed in accordance with the prospectus. Client specific guidelines will not apply to the portion of assets that are invested in these vehicles. For more details, please refer to the prospectus. The commingled vehicles are available only through managed accounts utilizing the PIMCO Total Return strategy and are available by prospectus only.

ADDENDUM B

Alternative Strategies
Portfolio

Fund Allocation (as of 01/03/12)			Global Macro	Weight
Turner Spectrum Fund	Symbol TSPEX	Weight 18.00%	Eaton Vance Global Macro Absolute Return Fund Current OI	15.00% -h
Pyxis I.ong/Shon: HEOZX	Equity	10.00	Symbol EIGMX Symbol	Weight

CATEGORY#: 3007

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Working capital Reserve

Policy:

A working capital reserve sufficient to keep the University operating for at least a 90 day period will be maintained at all times.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3008

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Charitable Donations

Policy:

The Board shall consider contributions to charitable organizations whose missions are congruent with that of the University.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 3011

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Accounting System

Policy:

The accounting system used by the University will utilize generally accepted auditing standards and accounting practices as established by the American Institute of Certified Public Accountants.

Changes and modifications of the accounting system recommended in the annual audit (Including the Management Letter) will be given consideration by the Board.

DATE APPROVED :4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 3012

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Internal Audit

Policy:

An internal audit process will be established and maintained. The President will report, at least quarterly, any significant findings to the Board. Gross violations or breach of trust will be reported immediately upon discovery.

(ARTICLE IV -Section 2; ARTICLE VI -Section 5; ARTICLE VII -Section 1)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3013

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: External Audit

Policy:

An annual audit of all accounts of the University will be conducted by an independent certified public accountant. The examination will include all funds over which the Board has direct or supervisory control. The scope of those audits will be determined by the Board annually.

Procedure:

- The contract for audit will be formally bid at least once every five (5) years.
- The President will solicit bids for the audit from two or more qualified firms and will recommend to the Board a firm to perform the audit.
- The Board's selection will be based on consideration of cost, professional qualifications, reputation and relevant experience.
- The Board will approve an accounting firm to do the audit

Only the Chair, the President or their designee may contact the auditors on behalf of the Board. Costs billed to the University and associated with individual board members contacting auditors without specific authority from the Board will be billed to the individual making the unauthorized contact.

(ARTICLE IV - Section 2; ARTICLE VI • Section 5)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3020

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Delegation of Financial Authority

Policy:

The budget shall be viewed by the Board as their financial plan for the University. Approval of the budget by the Board will be authority for the President to manage the finances of the University according to the plan without seeking further approval. The President will keep the Board well informed of the ongoing status of the financial plan and will not make expenditures outside of the budget plan without seeking approval to amend the budget.

(ARTICLE IV - Section 1, ARTICLE VII - Section 1)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3021

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Executive Limitation

Policy:

The President may not risk financial losses to the University beyond those that may occur in the normal course of business. The President will:

- Ensure against embezzlement, casualty losses to full replacement value and against liability losses (to Board members, University Officers or staff) beyond the minimally acceptable prudent level.
- Ensure that all personnel with access to significant amounts of University money are appropriately bonded.
- Ensure that facilities and equipment are properly maintained.
- Limit exposure of the University, the Board and staff to claims of liability.
- Disburse funds only under controls sufficient to meet the Board appointed auditor's standards.
- Invest operating capital only in secure short-term investments.
- Ensure off-site backup of all computer and other financial records necessary for uninterrupted operation of the University.

(ARTICLE VII - Section 1)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3022

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Spending Authorizations

Policy:

The President may make expenditures consistent with the Board approved budget without further Board approval.

Unbudgeted emergency repairs to the physical plant or equipment which are necessary to restore or maintain vital University services that must be completed immediately and cannot

practically be submitted to the Board for approval must be authorized by the Executive Committee. Such actions by the Executive Committee will be submitted to the Board for ratification at the next Board meeting.

(ARTICLE II- Section 7)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 3023

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Insurance/Bonding

Policy:

The President will recommend to the Board all necessary bonding of Officers and staff members who handle University funds and any appropriate insurance necessary to protect the finances of the University.

(ARTICLE IV - Section 3; ARTICLE VII - Section 1)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 3031

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Cash Receipts Processing

Policy:

Written receipts must be issued for all funds received by the University.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 3032

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Awarding of Contracts

Policy:

All contracts for supplies, materials, equipment, or services involving an expenditure of \$10,000 or more shall be given to the lowest responsible bidder after due advertisement, except those contracts which are by their nature not adapted to award by competitive bid as determined by the Board.

DATE APPROVED: 4/2002

DATE AMENDED

DATE RESCINDED:

CATEGORY: 3033

GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Check Signing

Policy:

Authorized signatories for all general fund accounts must include two of the following: the President and the Chief Financial Officer.

The President may authorize the use of an automatic signature stamp for checks of \$3,000.00 and below.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3034

GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Use of Credit cards

Policy:

The President shall recommend to the Board the Officers and staff authorized to use credit cards. The Board will approve and maintain a list of authorized individuals. University credit cards will only be used for appropriate University business and all uses will be appropriately documented. The University credit card will not be used for personal expenditures.

Procedure:

Monthly reports of credit card billings will be provided to the Finance Committee.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 3035

GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Purchasing

Policy:

Purchases of supplies, materials, equipment and services by the University shall be made using competitive procedures.

Procedure:

Competitive buying principles shall be applied for all procurements which exceed \$1,000.00 and in all other instances where price comparisons may be advantageous. The intent of the purchasing policies shall be:

- To procure products and services as economically and conveniently as possible;
- To maximize the ultimate value to the University for each dollar expended;
- To procure products and services from local vendors so long as value, economy and service are not sacrificed;

- To procure products and services from minority vendors so long as value, economy and service are not sacrificed;
- To consolidate purchases of like or common items to obtain maximum economic benefits;
- To promote good business relationships between the vendor and the University; and
- Not to discriminate against the procurement of recycled content products. Products with recycled content shall be purchased when costs, specifications, quality standards and availability are comparable to products without recycled content.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3036

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Purchase Orders

Policy:

The purchase order is the formal offer of the University to buy specified supplies, materials, equipment or services. When accepted by the vendor, the purchase order becomes a legal and binding contract obligating the University and the vendor. Purchases made by University personnel without an approved purchase order are not a valid claim against the University.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3037

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Request for Payment

Policy:

All expenditures of the University must be fully supported by appropriate documents and will normally be covered by a purchase order. In specific instances, requests for payment may be processed by submitting a standard requisition form.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 3040

GENERAL CATEGORY: Finance

SPECIFIC CATEGORY: Sale of Surplus Equipment

Policy:

The University shall trade in, sell or destroy surplus equipment that is no longer useful. Surplus equipment will be disposed of in a manner which will bring the University the highest possible return.

DATE APPROVED: 4/2002
DATE AMENDED:
DATE RESCINDED:

CATEGORY#: 3041

GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Travel Reimbursement

Policy:

Reimbursement will be made for expenses incurred for approved travel connected with attendance at meetings, conventions and other University business.

DATE APPROVED: 4/2002
DATE AMENDED:
DATE RESCINDED:

CATEGORY#: 3042

GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Expense Reimbursement

Policy:

Board members, faculty and staff may be reimbursed only for out-of-pocket expenses actually incurred and given prior approval. Claimed expenses must be documented by original receipts. No expenses will be reimbursed for friends or relatives accompanying a person on University business. No expenses will be reimbursed for non business related travel or extension beyond the completion of the business of the University.

Some expenses can be deemed unreasonable and unnecessary or extravagant. Such charges will be deemed personal and not reimbursable without compelling cause.

All reimbursement of authorized out-of-pocket expenses will be according to the procedure and limitations found in the Personnel Manual.

DATE APPROVED: 4/2002
DATE AMENDED:
DATE RESCINDED:

CATEGORY#: 3066

GENERAL CATEGORY: Finance
SPECIFIC CATEGORY: Debt Write Off

Policy:

If the total receivable from any one individual or organization is \$250.00 or less, the President may authorize the debt to be written off after all collection activities and legal remedies have been exhausted.

Write-offs of debts of \$251.00 and over which are believed uncollectible may be authorized only by vote of the Board.

DATE APPROVED: 4/2002
DATE AMENDED:
DATE RESCINDED:

4000 **SERVICES**

4001 Retention of University Records

4010 Athletics

4011 Copyrights - University logos/Trademarks

4012 Copyrights - Work Product

4013 Intellectual Property Rights

CATEGORY#: 4001

GENERAL CATEGORY: Services

SPECIFIC CATEGORY: Retention of University Records

Policy:

Source documents regarding data will be retained for the period as required for auditing purposes and as required by state and federal law and regulations. The documents will be stored in a manner allowing for safekeeping and reasonable availability.

(ARTICLE I- Section 6)

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 4010

GENERAL CATEGORY: Services

SPECIFIC CATEGORY: Athletics

Policy:

The University is committed to a competitive broad based intercollegiate athletics program for men and women in both revenue and nonrevenue producing sports. The University shall operate an athletic program that is open; respectful of the University purpose; committed to the development of athletes intellectually, morally and physically; and consistent with all policies and regulations of the University, the CIAA and the NCAA.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 4011

GENERAL CATEGORY: Services

SPECIFIC CATEGORY: Copyrights - University logos/Trademarks

Policy:

All registered trademarks, logos, original artwork, other insignia and terms that specifically are identified with the University are the property of the University. The use of which shall be administered through a trademark licensing program. The program shall (1) promote and support the University mission; (2) protect the image of the University; (2) market a positive image of the University; (4) provide scholarship funds; and (5) control the quality of items displaying University insignia.

Procedure:

- The President will solicit bids from two or more firms qualified to administer the licensing program and will make recommendation to the Board.
- The trademark licensing program will be administered through a separate trust fund into which all licensing fees and royalties are deposited. These funds are used to pay expenses directly associated with the program e.g., salary of the program administrator,

printing costs for brochures and artwork, long distance calls and faxes, and mailing and copying costs.

- Scholarship distributions will be made annually from licensing income.
- Distributions will be used for Athletic scholarships.
- The University Bookstore, the Athletic Department, the Saint Augustine's University Alumni Association, all registered clubs and organizations, all foundations and support groups affiliated with the University are not exempt from the licensing program.
- If specific legal expertise regarding trademark law is required, private legal counsel specializing in trademark law is to be engaged consistent with the policy governing Board Counsel. (Policy 1047)

The products which are covered include but are not limited to:

- All products bearing registered trademarks or other insignia that specifically identify the University.
- Terms - Saint Augustine's, St. Aug. and others that may refer to the University are covered by the licensing program if it can be determined that the primary reason for the purchase is the identification, in the mind of the purchaser, of the product with Saint Augustine's University.
- Original artwork bearing the University's name, logo, etc.
- Mass produced artworks produced with reference to the University.

The products which are restricted from use with University logos:

- Alcoholic beverages and flasks.
- Suggestive statements on articles.
- Statements impugning other schools.
- Sexist, racist, religious products and/or statements.
- Statements promoting the use of alcoholic beverages and/or illegal drugs.
- Products promoting a current University athlete.
- Products depicting the uses of handguns or other weapons.
- Items presenting a commonly recognized potential safety hazard.
- Any item which does not meet minimum standards of quality and good taste as determined by the program administrator.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 4012

GENERAL CATEGORY: Services

SPECIFIC CATEGORY: Copyrights - Work Product

Policy:

The ownership of and copyright to teaching aids, films, outlines, books and manuals which have been developed on University time and with University materials, through University funds or with technical or secretarial assistance provided by the University are vested In Saint Augustine's University unless exceptions are negotiated and contracted in advance of material preparation.

DATE APPROVED: 4/2002
DATE AMENDED:
DATE RESCINDED:

CATEGORY#:4013
GENERAL CATEGORY: Services
SPECIFIC CATEGORY: Intellectual Property Right

5000 COMMUNITY/MEMBER RELATIONS

- 5001 Nondiscrimination in Employment and Educational Opportunities
- 5002 Harassment - Verbal and Physical Conduct
- 5003 Sexual Harassment/Sex Discrimination
- 5004 Racial Harassment/Discrimination
- 5005 Disability Discrimination/Harassment
- 5006 Access for Individuals with Disabilities
- 5007 Affirmative Action
- 5008 Nepotism
- 5009 Smoking
- 5010 Drug Free Premise
- 5011 Alcoholic Beverages
- 5012 Firearms and Weapons
- 5013 Gambling
- 5021 Facilities - Community Usage
- 5022 Facilities-Eligibility of Users
- 5024 Freedom of Information
- 5025 Access to Campus Facilities
- 5026 Solicitations
- 5027 Authorization to Speak
- 5028 Notification of Change
- 5031 Fundraising
- 5032 University Related Foundations
- 5033 Gifts and Bequeaths

CATEGORY#: 5001

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Nondiscrimination in Employment and Education Opportunity

Policy:

The University is committed to a policy of nondiscrimination in employment and education opportunity. No person shall be discriminated against in the terms and conditions of employment, personnel practices, or access to and participation in, programs, services and activities with regard to race, sex, color, creed, religion, age, national origin, disability, marital status, pregnancy, veteran status or sexual orientation.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5002

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Harassment - Verbal and Physical Conduct

Policy:

Harassment of an individual or group on the basis of race, sex, color, creed, religion, age, national origin, disability, marital status, pregnancy, veteran status and sexual orientation has no place in a learning or work environment and is prohibited at any University facilities, during any University related activities whether on or off campus.

This policy is directed at verbal and physical conduct that constitutes discrimination/harassment under state and federal law and is not directed at the content of speech. In cases in which verbal statements and other forms of expression are involved, the University will give due consideration to an individual's constitutionally protected right to free speech and academic freedom. Physical contact by designated University personnel may be appropriate if necessary to prevent physical harm to persons or property.

Nothing in this policy will prohibit the University from taking appropriate immediate action to protect alleged victims of verbal and physical misconduct.

DATE APPROVED: /2000

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5003

GENERAL CATEGORY: Community/Member

Relations SPECIFIC CATEGORY: Sexual

Harassment/Sex Discrimination

Policy:

Harassment/discrimination of an individual and/or group or violence toward an Individual or group based on gender or sexual orientation has no place in a learning or work environment and is prohibited.

Sex discrimination is defined by the University as conduct that is directed at an individual because of gender or sexual orientation and that subjects the Individual to different treatment so as to interfere with or limit the ability of the individual to participate in or benefit from, the services, activities or privilege\$ provided by the University or otherwise adversely affects the Individual's employment or education. Nothing in this policy will prohibit the University from taking immediate action to protect victims of alleged sexual attack or abuse.

Sexual harassment is a form of sex discrimination which is prohibited by state and federal law. The University defined sexual harassment as unwelcome sexual advances, requests for sexual favors, sexually motivated physical conduct and other verbal or physical conduct of a sexual nature when:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education, evaluation of a student's academic performance, or term or condition of participation in student activities or in other events or activities sanctioned by the University; or
2. Submission to or rejection of such conduct by an individual is used as the basis for employment or academic decisions or other decisions about participation in student activities or other activities sanctioned by the University; or
3. Such conduct has the purpose or effect of threatening an individual's employment; interfering with an individual's work or academic performance; or creating an intimidating, hostile or offensive work or educational environment.

Sexual harassment may occur in a variety of relationships, including faculty and student, supervisor and employee, student to student, employee to employee, and other persons having business with or visiting the educational environment. Sexual harassment may occur when it is directed at members of the opposite gender or when it is directed at members of the same gender. It includes but is not limited to:

- Unwelcome pressure for sexual activity;
- Unwelcome, sexually motivated or inappropriate patting, pinching, or physical contact;
- Demands for sexual favors or promises of preferential treatment with regard to an individual's employment or educational status accompanied by implied or overt threats concerning an individual's employment or educational status; or
- Unwelcome behavior or words of a sexual nature directed at an individual because of gender.

Acts of sexual violence are criminal behaviors and create an environment contrary to the goals and mission of the University. Acts of sexual violence include but are not limited to:

1. Touching, patting, grabbing, or pinching another person's intimate parts, whether that person is out of the same sex or the opposite sex;
2. Coercing, forcing, or attempting to coerce, or force the touching of anyone's intimate parts;
3. Coercing, forcing-or attempting to coerce or force sexual intercourse or a sexual act on another;

4. Forcible acts, which include nonconsensual sexual contact and /or sexual contact in which the victim is incapable or giving consent (such as when the complainant is under the influence of alcohol or drugs);
5. Non forcible sex acts such as incest and statutory rape; and
6. The threat of any of the above.

Substantial risks are involved even in seemingly consensual romantic/sexual relationships where a power differential exists between the involved parties. The respect and trust accorded a faculty member or other employee by a student, as well as the power exercised by faculty in giving grades, advice, praise, recommendations, and opportunities for further study or other forms of advancement may greatly diminish the student's actual freedom of choice concerning the relationship. Similarly, the authority of the supervisor to hire, fire, evaluate performance, reward, make recommendations, assign and oversee the work activities of employees may interfere with the employee's ability to choose freely in the relationship. Further, it is inherently risky where age, background, stature, credentials or other characteristics contribute to the perception that a power differential exists between the involved parties which limits the student or employee's ability to make informed choices about the relationship.

Claims of a consensual romantic/sexual relationship will not protect individuals from sexual harassment charges nor guarantee a successful defense if charges are made. It is the faculty or staff member in the supervisory role that will bear the burden of accountability because of his/her special power and responsibility, and it may be exceedingly difficult to use mutual consent as a defense.

DATE APPROVED: 1/1990

DATE AMENDED: 8/1998; 4/2002

DATE RESCINDED:

CATEGORY#: 5004

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Racial Harassment/Discrimination

Policy:

Harassment of an individual or group on the basis of race, sex, color, creed, religion, age, national origin, disability, marital status, pregnancy, veteran status and sexual orientation has no place in a learning or work environment and is prohibited at any University facilities, during any University related activities whether on or off campus.

The University defined racial discrimination as conduct that is directed at an individual because of his/her race, color or national origin or that of his/her spouse and that subjects the individual to different treatment by agents or employees so as to interfere with or limit the ability of the individual to participate in or benefit from the services, activities or privileges provided by the University or otherwise adversely affects the individual's employment or education.

Racial harassment is defined as verbal or physical conduct that is directed at an individual because of his/her race, color or national origin or that of his/her spouse and that is sufficiently severe, pervasive or persistent so as to have the purpose or effect of creating a hostile workplace or educational environment. Racial harassment may occur in a variety of relationships, including faculty and student, supervisor and employee, student and student,

staff and student, employee and employee, and other relationships with other persons having business at or visiting the educational environment.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5005

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Disability Discrimination/Harassment

Policy:

Harassment/discrimination of an individual or group on the basis of race, sex, color, creed, religion, age, national origin, disability, marital status and sexual orientation has no place in a learning or work environment and is prohibited at any University facility, during any University related activities whether on or off campus.

The University defined disability discrimination as conduct that is directed at an individual because of his/her mental/physical disability or that of his/her spouse and that subjects the individual to different treatment by agents or employees so as to interfere with or limit the ability of the individual to participate in or benefit from the services, activities or privileges provided by the University or otherwise adversely affects the individual's employment or education.

Disability harassment is defined as verbal or physical conduct that is directed at an individual because of his/her mental/physical disability or that of his/her spouse and that is sufficiently severe, pervasive or persistent so as to have the purpose or effect of creating a hostile workplace or educational environment. Disability harassment may occur in a variety of relationships, including faculty and student, supervisor and employee, student and student, staff and student, employee and employee, and other relationships with other persons having business at or visiting the educational environment.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5006

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Access for Individuals with Disabilities

Policy:

The University shall make reasonable accommodations to ensure access to programs, services and activities to qualified individuals with known disabilities as required by law. Where an individual asks for an accommodation, the University may require the individual to provide documentation.

Access means that a qualified individual with a disability will not be excluded from participation in or be denied the benefits of services, programs or activities nor will the individual be subject to discrimination. Reasonable accommodations may include modifications to rules, policies or practices; the removal of architectural, communication or transportation barriers; provision of

auxiliary aids or the provision of equally effective programs, services or activities. In accordance with the Americans with Disabilities Act, accommodations will not be provided (1) for personal devices or services even though the Individual may be a qualified individual with a disability or (2). that result in a fundamental alteration in the nature of a 'service, program or activity or in undue financial or administrative burdens.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 5007

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Affirmative Action

Policy:

The University is committed to and supports aggressive affirmative action steps and programs intended to remedy the historical under representation of persons of color, women and persons with disabilities in the workforce.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5008

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Nepotism

Policy:

Employees may not be employed in positions that are either within the direct scope of supervision of a member of his/her family or in the same organizational line of authority of a member of his/her family. For this purpose, the degrees of relationship addressed are:

- By blood: parent, child, adopted child, grandparent, grandchild, brother, sister, uncle, aunt.
- By marriage: husband, wife, stepparent, stepchild, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, and daughter-in-law.

If the marriage of an employee would create a family relationship as listed above, it will be necessary for one of the persons so affected to give up his/her position by the end of the current fiscal year. Affected persons may transfer or be re-employed elsewhere at the University subject to the aforementioned provisions. Persons employed either on a temporary basis, as part-time employees or as short term contract employees shall be exempt from the provisions of this policy.

DATE APPROVED: 1/1990

DATE AMENDED: 8/1998; 4/2002

DATE RESCINDED:

CATEGORY#: 5009

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Smoking

Policy:

The University maintains a smoke/tobacco free environment consistent with its efforts to promote wellness and provide a campus environment conducive to work, study and activities for students, employees and the public.

Procedure:

- The University defines tobacco products to include cigarettes, cigars, pipes or tobacco in any other form, including smokeless tobacco that is intended to be placed in the mouth without being smoked.
- The University recognizes the rights of those who chose to use tobacco and does not prohibit the use of tobacco products.
- Use of tobacco products is restricted to areas outside of all University buildings and vehicles.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5010

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Drug Free Premises

Policy:

The University maintains a drug free work environment, therefore the following activities are prohibited while on the University premises, and operating University equipment, at University sponsored activities and events, and/or otherwise engaged in University business.

- The manufacture, possession, use, sale, distribution, dispensation, receipt or transportation of any controlled substance not prescribed by a doctor.
- The manufacture, possession, use, sale, distribution, dispensation, receipt or transportation of any illegal drug.
- The consumption of alcoholic beverages.
- Being under the Influence of a controlled substance not prescribed by a doctor.
- Being under the influence of an illegal substance.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5011

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Alcoholic Beverages

Policy:

The possession, consumption, display or sale of alcoholic beverages by any person, organization or corporate entity on the University premises, at University sponsored activities and events and/or while engaged in University business is expressly prohibited.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5012

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Firearms and Weapons

Policy:

Possessing or carrying, openly or concealed, any gun, rifle, pistol, or other firearm of any kind, or any dynamite cartridge, bomb, grenade, mine or powerful explosive on the University campus or in any University owned or operated facility or vehicle is prohibited.

Possessing or carrying any BB gun, stun gun, air rifle, air pistol, bowie knife, dirk, dagger, slingshot, leaded cane, switchblade knife, blackjack, metallic knuckles, razors and razor blades (except for personal shaving) and any sharp pointed or edged instrument (except instructional supplies, unaltered nail files, and clips and tools used solely for preparation of food, instruction and maintenance) upon the University campus or in any University owned or operated facility or vehicle is prohibited.

DATE APPROVED: 8/1998

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5013

GENERAL CATEGORY: Community/Member

Relations SPECIFIC CATEGORY: Gambling

Policy:

Gambling on University owned property or during University sponsored events is prohibited.

DATE APPROVED: 8/1998

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5021

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Facilities-Community Usage

Policy:

Recognizing the need of the community for adequate spaces for meetings and programs, the Board will allow limited use of the University facilities by community organizations, businesses and groups. Requests for use of University facilities will not be granted until it is clear that such use will in no way hinder the full use of facilities by the University.

Special purpose rooms, such as laboratories containing special equipment; etc., will be scheduled for use by outside groups only when an employee of the University is available for supervision.

Procedure:

- A calendar of approved requests will be maintained to avoid conflicts.
- University programs and functions will be given priority in the scheduling of facilities.
- Individuals, groups or organizations may be given permission to use University facilities for indefinite or extended periods of time or on a regular schedule, such as a specific date or dates in each week or month. Such usage will be reviewed annually.
- Every attempt will be made to schedule University facilities in a first come-first serve basis.
- Use by non-campus affiliated groups of University facilities will require the supervision of an employee of the University.
- Charges for facility usage will be determined from rates approved by the Board.
- Any organization, business or group contracting for facility usage must comply with all health and safety policies of the University.
- The University reserves the right to exercise judgment on who may or may not use University facilities and the conditions of that usage.
- The University reserves the right to deny use of University facilities when it is deemed appropriate.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 5022

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Facilities-Eligibility of Users

Policy:

The Board authorizes the use of University facilities only as outlined:

- Individuals may request the use of facilities for and on behalf of a group, business or organization but not for personal use - the sole exception being the University Chapel.
- Requests must be made in writing by one person who will be obligated to the University for the safe and proper use of facilities and for compliance with the health and security procedures as established by the University.
- Groups and organizations such as the following may be granted use of University facilities:

- Alumni
- Civic clubs
- Community organizations
- Educational organizations
- Nonprofit organizations
- Educational institutions
- Government agencies

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 5024

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Freedom of Information

Policy:

Access to reports and records of the University for inspection and reproduction will be allowed in accordance with North Carolina Public Records Law.

Procedure:

- An individual or group must file a written request for access, during normal business hours, at the office of Institutional Advancement, Saint Augustine's University, and 1315 Oakwood Avenue, Raleigh North Carolina 27610.
- Records may be reviewed in the presence of a designated employee of the University, during normal business hours, after a written request on the form, 'Public Records Request' provided by the University has been processed.
- All written requests for records should be submitted to the office of Institutional Advancement, Saint Augustine's University, and 1315 Oakwood Avenue, Raleigh, NC 27610-2298.
- A fee may be charged for copies of records.
- Any person denied the right to inspect or copy any public record of the University after an appropriate written request may file an appeal to the Office of the President of the University.
- The written appeal shall be made within fourteen (14) days after the written denial of the request to inspect or copy an appropriate record.
- Upon receipt of the Appeal, the President or designee shall review the written denial and notify the Applicant of a final determination of the Appeal within seven (7) days after receipt of the Appeal.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

Public Records Request

This form must be delivered to the office of Institutional Advancement, Saint Augustine's University, 1315 Oakwood Avenue, Raleigh North Carolina 27610, during normal business hours.

I, _____, hereby request a copy
_____ public records/reports.

Date _____

Name _____
Signature _____ Print _____

Address _____

City/State/ZIP _____ Telephone _____ / _____
Area Code/Number

UNIVERSITY USE ONLY

Approved _____ Denied _____

Official Signature _____ Date _____

Reason of denial: _____

Statutory Exemption authorizing denial: _____

If your request is denied, you have the right to file a written appeal with the Office of the President, Saint Augustine's University, Boyer Building, and 1315 Oakwood Avenue, Raleigh North Carolina 27610.

I, _____ hereby request an appeal of the decision to deny access to the public record specified.

Date _____ Name _____

Address _____ City/St/ZIP _____

CATEGORY#: 5025

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Access to Campus Facilities

Policy:

At all times the use of campus facilities and access to the campus is restricted and limited to students, faculty, staff, alumni and authorized visitors. Any person not authorized to use such facilities may be requested to leave the campus and upon a failure to do so, may be subject to arrest for trespass.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY: 5026

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Solicitations

Policy:

Solicitation by nonprofit organizations is permitted provided that it does not interfere or conflict with University programs and activities and is affiliated with an organization, club or employee in good standing with the University.

Solicitation of employees and students by for-profit organizations with products or services for personal use is prohibited.

DATE APPROVED: 1/1990

DATE AMENDED: 4/2002

DATE RESCINDED:

CATEGORY#: 5027

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Authorization to Speak

Policy:

The Chair is authorized to speak on behalf of the Board. Others speaking on behalf of the Board shall do so only with the authorization of the Chair.

The President is authorized to speak on behalf of the University. Others speaking on behalf of the University shall do so only with the authorization of the President.

Procedure:

- Individual Board members may not speak to the public or the media on behalf of the Board unless authorized to do so.
- When speaking about the University or about Board action, Board members should be careful to define when their remarks represent personal opinion and when their remarks represent official Board position.

- Board members must be aware that they are always perceived as Board members even when they designate comments as personal.

DATE APPROVED: 6/1974
 DATE AMENDED: 4/2002
 DATE RESCINDED:

CATEGORY#: 5028
 GENERAL CATEGORY: Community/Member Relations
 SPECIFIC CATEGORY: Notification of Change

Policy:

The University shall provide thirty (30) days written notice to employees and/or students prior to changes to or termination of any benefit or service.

DATE APPROVED: 4/2002
 DATE AMENDED:
 DATE RESCINDED:

CATEGORY#: 5031
 GENERAL CATEGORY: Community/Member Relations
 SPECIFIC CATEGORY: Fundraising

Policy:

Organizations whose primary activity is to solicit funds publicly on behalf of the University shall obtain the approval of the Board and the President before using the University's name or facilities to solicit funds. If a foundation has a signed contract in place between the foundation and the University it supports, no further approval is required. Organizations whose primary activity is not fundraising but which occasionally provide funds to the University are not covered by this policy unless their fundraising efforts involve the use of the University's name or facilities.

The relationship of the University to fundraising efforts for intercollegiate athletics shall be in strict compliance with applicable rules and regulations of the Central Intercollegiate Athletic Association (CIAA).

DATE APPROVED: 4/2002
 DATE AMENDED:
 DATE RESCINDED:

CATEGORY#: 5032
 GENERAL CATEGORY: Community/Member Relations
 SPECIFIC CATEGORY: University Related Foundations

Policy:

The Board may contract with foundation(s) whose primary purpose is to support the University.

Procedure:

- The University, as a part of the agreement, may agree to provide administrative support to the foundation.
- The contract must require that, in return for administrative support, the foundation will contribute to the University an amount equal to or more than the value of the administrative support provided by the University.
- The term of the contract shall not exceed three (3) years and may be renewed upon recommendation of the President.
- Contracts shall provide that the Finance and Investment Committee of the Board have complete access to the financial records of the foundation.
- Contracts shall require that the foundation annually provide to the University a copy of its most recent financial report.
- Foundations receiving less than \$350,000 in revenues annually shall submit a copy of an external audit at least every three (3) years.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 5033

GENERAL CATEGORY: Community/Member Relations

SPECIFIC CATEGORY: Gifts and Bequeaths

Policy:

Gifts, grants or bequeaths involving money, equipment and furnishings may be accepted by the University. All gifts, grants or bequeaths accepted shall be administered in accordance with the terms of the gift or bequeath. Such gifts become the property of the University and shall be under the control of the Board of Trustees.

Procedures:

All equipment items donated to the University will be added to the inventory of the responsible program/department.

- All programs/departments must report any donations of equipment to the Business Office in memorandum form - identifying the item by description and estimated current value.
- The Business Office shall assign identifying tag numbers to all donated equipment and list it on the appropriate inventories with an estimated current value.
- The Office of Development is responsible for acknowledging such gifts.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

6000 BUILDING AND GROUNDS

6003 Accessibility of Facilities

6004 Vehicle Regulations

6005 Use of University Property

6011 Capital Program Planning

6012 Facilities Maintenance

6014 Naming Buildings, Sites and Common Areas

6015 Resources Recovery and Environmentally Responsible Practices

6016 Building Disposal

CATEGORY#: 6003

GENERAL CATEGORY: Building and Grounds

SPECIFIC CATEGORY: Accessibility of Facilities

Policy:

All facilities will be made compliant with the guidelines of the **Americans with Disabilities Act (ADA)** by 2010. The President will annually review the facilities to ensure that all facilities meet the minimum standards of ADA.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 6004

GENERAL CATEGORY: Buildings and Grounds

SPECIFIC CATEGORY: Vehicle Regulations

Policy:

The President is authorized to establish such regulations as are deemed necessary to regulate parking and traffic on lots and roadways, which are owned and maintained by the University. The Board also authorizes the creation of fines and/or penalties to be used to enforce such regulations.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 6005

GENERAL CATEGORY: Buildings and Grounds

SPECIFIC CATEGORY: Use of University Property

Policy:

University facilities, equipment, vehicles, tools, energy and any other assets or property are for University related use only. Employees or students are specifically prohibited from using such property for personal use. Property of the University is to be used only for programs and services of the University consistent with its service to the community.

This policy does not preclude the approved use of University equipment by nonprofit organizations. Nor does it preclude the use of University duplicating equipment for personal business as long as the established reimbursement rate is paid or the normal check out procedures for the use of library books and materials are followed.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 6011

GENERAL CATEGORY: Building and Grounds

SPECIFIC CATEGORY: Capital Program Planning

Policy:

The stewardship of the University's facilities resources shall be addressed through development of a long-term asset preservation and renewal program.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 6012

GENERAL CATEGORY: Building and Grounds

SPECIFIC CATEGORY: Facilities Maintenance

Policy:

The Board is committed to the development of long-range plans to address the physical plant needs of the University, including a sustained level of funding to address Infrastructure needs, backlog of deferred maintenance and ongoing annual preventative maintenance.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 6014

GENERAL CATEGORY: Building and Grounds

SPECIFIC CATEGORY: Naming Buildings, Sites and Common Areas

Policy:

The Board shall recognize Individuals, organizations, events or significant dates in the University history, a place with significant meaning for or ties to the University by naming buildings, rooms, streets, courts, athletic fields, sites, departments, institutes, centers, endowed chairs and common areas in their honor.

Criteria:

When names of individuals are used, that individual should meet one of the following criteria:

- Former member of the Board of Trustees;
- Former employee who has made an outstanding contribution to the University;
- A citizen who has provided significant leadership for and service to the University;
- A graduate or former student of the University who has achieved distinction in scholarship, creative arts or public service.
- A benefactor who has made substantial financial contribution to the University.
- For individuals who have not had such an association- with- the University, selection may be based on the individual's record of scholarship, creativity, leadership, humanitarian service or public service.

- Buildings, sites and common areas will not be named for individuals while they are employed by or officially involved with the University. These facilities may be named after such persons no earlier than one (1) year following the conclusion of their relationship with the University.
- When names other than those of individuals are used, the recommendation shall conform to recognized standards of propriety.
- The proposed building, site or common area name should not readily lend itself to unwanted abbreviations, acronyms or nicknames.
- Selection of names should take into account the University Master Plan which identifies all physical components and organizes these components into a hierarchy. Each facility should be considered in relation to the component of which it is an element and its place in the overall hierarchy. Recommendations of the department(s) or division which is or will occupy the facility should be given consideration.
- Prior to making a recommendation to the Board, the President shall institute a process to ensure broad based input into the proposed building, site or common area name.
- The process should include consultation with students, staff, community representatives and such other representation the President deems advisable.
- A named facility will retain that name as long as it exists. However, if a name is designated for a facility associated with a specific activity and that activity is subsequently changed, the name may be applied to a similarly used facility, if possible, and if not to another facility. Exceptions to this provision may be made by the Board upon the recommendation of the President.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 6015

GENERAL CATEGORY: Building and Grounds

SPECIFIC CATEGORY: Resources Recovery and Environmentally Responsible Practices

Policy:

The Board promotes reduction of waste resource recovery and environmentally responsible practices, including pollution prevention, consistent with law and current executive orders.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

CATEGORY#: 6016

GENERAL CATEGORY: Building and Grounds

SPECIFIC CATEGORY: Building Disposal

Policy:

If the Board determines that a University building can no longer be used or that it is a fire or safety hazard, it shall sell, demolish or otherwise dispose of the building. Disposition of the building shall be separate from the determination of the future disposition of the real estate.

Procedure:

- Before disposing of any building, a review should be done to determine the presence of any hazardous materials.
- When appropriate, the NC Historical Society should be notified to determine if the designated building has any historical significance.
- If a building has a real net value of \$5,000.00 or more (after giving consideration to costs of removal, demolition, salvage and restoration of land), the building will be sold through sealed bids or at a public auction to the highest responsible bidder.

DATE APPROVED: 4/2002

DATE AMENDED:

DATE RESCINDED:

**Saint Augustine's
University Board of
Trustees
Code of Ethics**

As a member of the Saint Augustine's University Board of Trustees, I will . . .

- Listen carefully to my fellow Trustees and those served by the University.
- Respect the opinion of other Board members.
- Respect and support the majority decisions of the Board.
- Recognize that all authority is vested In the Board when It meets in legal session and not with individual Board members.
- Keep well-informed of developments that are relevant to issues that may come before the Board.
- Participate actively in Board meetings and actions.
- Call to the attention of the Board any issues that I believe will have an adverse effect on the University or those we serve.
- Attempt to interpret the needs of constituents to the University and interpret the actions of the University to its constituents.
- Refer constituent or staff complaints to the proper level on the chain of command.
- Recognize that the Board member's job is to ensure that the University is well managed, not to manage the University.
- Vote to hire the best possible person to manage Saint Augustine's University.
- Represent all constituents of the University and not a particular special interest group.
- Consider myself a Trustee of Saint Augustine's University and do my best to ensure the University is well maintained, financially secure, growing and always operating in the best interest of constituents.
- Always work to learn more about the Board member's job and how to do it better.
- Declare any conflict of interests between my personal life and my position on the Board of Trustees of the University, and avoid voting on issues that appear to be a conflict of interests.

As a member of the Saint Augustine's University Board of Trustees, I will not . . .

- Be critical, in or outside of the Board meeting, of other Board members or their opinions.
- Use the University or any part of the University for my personal advantage or the personal advantage of my friends or relatives.
- Discuss the confidential proceedings of the Board outside the board meeting.
- Promise prior to a meeting how I will vote on any issue in the meeting.
- Interfere with duties of the President or undermine the President's authority.

Saint Augustine's University Conflict of Interest Statement

Board members have a duty to subordinate personal interest to the welfare of the University and those we serve. Conflicting interests can be financial, personal relationships, status, or power.

Board members and employees are prohibited from receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, or financial agencies, which obligate or induce the Board member or employee to compromise responsibilities to negotiate, inspect or audit, purchase or award contracts, with the best interests of the University in mind.

Board members and employees are prohibited from knowingly disclosing information about the University to those who do not have a need to know or whose interest may be adverse to the University, either inside or outside the University. Nor may Board members or employees in any way use such information to the detriment of the University.

Board members or employees may not have a significant financial interest in any property which the University purchases, or a direct or indirect interest in a supplier, contractor consultant or other entity with which the University does business.

Since it is not possible to write a policy that covers all potential conflicts, Board members and employees are expected to be alert for and avoid situations which might be construed as conflicts of interests.

Any possible conflict of interests on the part of any Board member should be disclosed to the other Board members and made a matter of record, either through an annual procedure or when the interest becomes a matter of board action.

Any Board member having a conflict of interests or possible conflict of interests should not vote or use personal influence on the matter and should not be counted as part of a quorum for the meeting. The minutes of the meeting should reflect that a disclosure was made, the abstention from voting and the quorum situation.

These restrictions should not be construed as preventing the Board member from briefly stating a position in the matter, nor from answering pertinent questions of other Board members, since that knowledge could be of assistance to the deliberations.

All Board members will be required to complete the "Conflict of Interest Statement." This policy will be reviewed by the Board annually and given to each Board member for signature during new member orientation and at the annual meeting.

SAINT AUGUSTINE'S UNIVERSTIY
BOARD OF TRUSTEES
PUBLIC FORUM REQUEST

The Saint Augustine's University Board of Trustees values the ideas and insights of others. Therefore, it is the policy of this Board to allow time on the agenda of each regular meeting for a public forum. f you wish to speak to an issue during the Forum section of the meeting of the Board of Trustees, please complete this form and send it to:

Saint Augustine's University
Attn: Secretary of the Board of Trustees
1315 Oakwood Avenue
Raleigh NC 27610

Only persons whose requests have been received ten (10) days prior to the convening of the meeting will be allowed to address the Board.

When the Board reached the Forum section of the agenda, all persons/groups whose requests have been processed will be given a specific amount of time to address the Board. The Board will then call on the person/group spokesperson who may address the Board for the allocated time. If possible, handouts of your presentation and any supporting documentation should be available *for* distribution to all Board members. Following your presentation, members may have questions which will be directed to you. Do not expect the Board to respond at this meeting to your questions or your requests for information or action. The Board will note your request and respond at a later time after members have had an opportunity to deliberate.

The Board wants to hear from students, faculty, staff, alumni, and others concerned about the growth and development of the University. However, the Board meeting agenda is usually full and does not allow time for a continuous open forum. Thank you for helping us conduct an open and orderly meeting.

=====

Topic to Address with the Board _____

Group/Organization _____

Name _____

Address _____

City/ST/ZIP _____

Telephone _____

Fax _____

Date submitted _____

Date Received _____

SAINT AUGUSTINE'S UNIVERSITY
BOARD OF TRUSTEES
Petition for Impeachment

A quorum of the voting members of the Board of Trustees of Saint Augustine's University petition for the impeachment of _____ who currently holds the office/position of _____

The charge(s)/allegation(s) are: _____

Trustee's Name	and	Signature
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____
_____		_____

Signature of Highest Ranking Officer
who is not subject of impeachment

Signature of Certifier who is
not subject of impeachment

SAINT AUGUSTINE'S
UNIVERSITY BOARD OF
TRUSTEES
Impeachment Hearing Date Selection

The date, time and location of the Impeachment Hearing are mutually agreed upon by the accused, the Executive Committee and the President. Please indicate your preference by voting for one of the dates listed below:

Please check one:

Date Time Location (to be determined by the highest ranking officer)

1. _____

2. _____

3. _____

Notification of the date, time and location of the hearing will be sent to you within ten (10) days after the due date for return of this form.

Name

Signature

Address

Address

Telephone

Return by: _____

Return to: Saint Augustine's University
Attn: Board of Trustees
1315 Oakwood Avenue
Raleigh NC 27610

SAINT AUGUSTINE'S UNIVERSITY
OFFICIAL COMPLAINT FORM

Person filing complaint: -----

Where can you be reached: _____

Street Address

City

State

ZIP

Date: _____

Telephone

Nature of Complaint: _____

Requested Remedy: _____

Response = _____

Signature

Date

I am not satisfied with the decision of the President. I am requesting a hearing with the Board of Trustees.

Signature

Date

SAINT AUGUSTINE'S UNIVERSITY
Public Records Request

This form must be delivered to the office of Institutional Advancement, Saint Augustine's University, 1315 Oakwood Avenue, Raleigh North Carolina 27610, during normal business hours.

I, _____, hereby request a copy
of _____
_____ public records /reports.

Date _____

Name _____
Signature _____ Print _____

Address _____

City/State/ZIP _____ Telephone {____} _____
Area Code/Number

=====

UNIVERSITY USE ONLY

Approved _____ Denied _____

Official Signature. _____ Date _____

Reason of denial:

Statutory Exemption authorizing denial: _____

If your request is denied, you have the right to file a written appeal with the Office of the President, Saint Augustine's University, Boyer Building, and 1315 Oakwood Avenue, Raleigh North Carolina 27610.

I, _____ hereby request an appeal of the decision to deny access to the public record specified.

Date _____ Name _____

Address _____ City/St/ZIP _____

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EXHIBIT B



SAINT AUGUSTINE'S
UNIVERSITY

Transform. Excel. Lead.

Board of Trustees

BYLAWS

SAINT
AUGUSTINE'S
UNIVERSITY
CLASS OF 1973

Revised April 30, 2021

BYLAWS

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ARTICLE I. AUTHORITY

Section 1: Name

The name of this corporation shall be Saint Augustine's University, hereinafter referred to as the "University".

Section 2: Purposes

The purposes of the University are:

- (A) To provide instruction in the liberal arts, fine arts, and sciences, to provide appropriate professional curricula including but not limited to teaching, and to award such degrees as are consistent therewith;
- (B) To operate exclusively for charitable, educational, religious and scientific purposes within the meaning of Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Internal Revenue laws (the "Code"); and
- (C) To engage in any lawful activity for which corporations may be organized under Chapter 55A of the General Statutes of North Carolina so long as the corporation does not engage in any activity or activities not in furtherance of one or more tax exempt purposes as contemplated in section 501(c)(3) of the Code.

Saint Augustine's University was chartered as Saint Augustine Normal School and Collegiate Institute pursuant to letters issued from the Governor of North Carolina on July 19, 1867. The Reverend J. Brinton Smith, D.D., secretary of the Freedman's Commission of the Protestant Episcopal Church, and the Right Reverend Thomas Atkinson, D.D., Bishop of the Diocese of North Carolina led its formation and it opened its doors for instruction on January 13, 1868 and has operated continuously thereafter.

Section 3: Ownership and Control

The University owns and controls the land, buildings, and all other assets held in the name of the University.

Section 4: The Board of Trustees

The governing body of the University shall be the Board of Trustees (sometimes referred to herein as the "Board" and members of the Board sometimes referred to herein as "Trustees"), which shall have and exercise the corporate powers prescribed by applicable law, the Articles of Incorporation, and these Bylaws, each as presently in effect or hereafter amended. No delegation of authority by the Board

shall preclude the Board from exercising its authority hereunder, and the Board may rescind any such delegation at any time.

Section 5: Fiscal Year

The University's fiscal year shall be from July 1 to June 30 inclusive.

Section 6: Records

The University shall keep correct and complete records and books of account and shall keep minutes of the proceedings of the Board of Trustees, including proceedings of all Committees and Subcommittees.

ARTICLE II. THE BOARD OF TRUSTEES

Section 1: Board Authority

The Board of Trustees is an independent body, self-perpetuating and self-governing, responsible only to itself, to the laws of North Carolina and of the United States of America, and to the fiscal and academic well-being of the University. The Board operates independent of external influences. The Board of Trustees shall be responsible for the establishment of policy of the University and shall appoint a President as chief executive officer of the University. The Board shall exercise its authority as a group and individual trustees shall have no authority to manage the affairs of the University. All Trustees and ex officio members of the Board shall represent the best interests of the University as a whole and not merely the interests of the group(s) responsible for their election to the Board and shall adhere to a Code of Ethics.

Section 2: Membership

The Board of Trustees shall consist of members elected or ratified by the Board. There shall be not less than fifteen (15) or more than twenty-five (25) Trustees.

The categories of trustee membership shall be Regular, Episcopal, Student, Alumni, and Honorary Trustees.

Section 3: Eligibility and Selection

A. Elected Trustees

The category of elected trustee membership shall include all Regular Trustees. All such members shall be elected according to the procedures established by these Bylaws. At least three (3) of these members shall be alumni of the University.

B. Ratified Trustees

The categories of ratified trustee membership shall include:

1. Episcopal Trustees

The presiding Bishop of the Diocese of North Carolina for the Protestant Episcopal Church in the United States of America shall be a member of the Board for as long as he/she is the presiding Bishop of the Diocese of North Carolina.

2. Student Trustees

One (1) Student Trustee who is currently enrolled as a full-time student in good academic standing with the University, shall be elected by the Student Body of the University annually, and shall remain so enrolled while serving on the Board.

3. Alumni Trustees

For so long as The National Alumni Association of Saint Augustine's College (the "National Alumni Association") is determined by the Board to be in good standing with the University, one (1) Trustee shall be an alumna/alumnus in good standing with the National Alumni Association who shall be recommended by that body.

4. Honorary Trustees

The status of Honorary Trustee may be conferred by the Board upon any former Trustee whose contribution is deserving of recognition. Honorary Trustees shall not (i) be counted in computing a quorum or (ii) have the right to vote or hold office.

Credentials for all Trustees to be ratified shall be presented at the annual meeting for review and approval by the Board.

C. Ex Officio Trustees

The President of the University shall be an ex officio member of the Board. As an ex officio member of the Board, the President shall not (i) be counted in computing a quorum or (ii) have the right to vote or hold office.

D. Employees Not Eligible

With the exception of the President of the University, who shall serve as a non-voting Ex Officio Trustee, full-time or part-time employees of the University may not serve on the Board.

Section 4: Term

Elected Trustees may be elected at any regular or special meeting of the Board and once elected shall serve four (4)-year terms. The election of Trustees shall be a part of the order of business of each annual meeting of the Board during the years in which terms expire.

Ratified Trustee candidates shall be presented for ratification at the annual meeting

of the Board and once ratified shall serve one (1)-year terms.

Terms for any Trustees elected or ratified at any regular or special meeting shall begin immediately upon election or ratification. At least twelve (12) months must have elapsed before any Trustee having served two (2) consecutive full terms may be elected or ratified for another term or an unexpired term; provided, however, that the Nominating Committee may recommend waiver of this provision in exceptional cases, such as to fulfill a term as officer (e.g. Chair, Vice Chair, Treasurer, or Secretary) or to complete a critical Trustee role (e.g. to serve as Chair of a committee, etc.). Such waivers shall be rare and require a recommendation from the Nominating Committee, endorsement by the Chair of the Board, and approval by the full Board.

Section 5: Resignation

Any Trustee may resign at any time by communicating such resignation to the Board of Trustees or its presiding officer. The resignation is effective when communicated unless the notice specifies a later effective date or subsequent event upon which it will become effective.

Section 6: Removal

Trustees may be removed from the Board at any time for adequate cause by a vote of two-thirds of the voting members of the Board then serving and acting, in a regular meeting or special meeting called for the purpose of considering such removal.

For the purposes of this section, "adequate cause" shall include, but not be limited to, refusal or neglect to discharge the duties of a Trustee, conduct contrary to the interests and welfare of the University, or absence without an acceptable excuse from two or more consecutive Board of Trustee meetings.

The Executive Committee shall timely notify the Secretary or other person or persons calling a Board meeting of the proposed removal of a Trustee and a notice of this item of business without reference to the name of the Trustee shall be included in the notice of the meeting. At least ten (10) days prior to the Board meeting when the removal is to be considered, the Executive Committee shall send written notice, including a statement of the basis of its recommendation, to the Trustee whose removal is recommended. At the meeting of the Board at which the removal is to be considered, the Executive Committee shall present its recommendation for removal, and the Trustee whose removal is proposed shall be permitted to respond. After the opportunity to be heard, the Trustee whose removal is proposed shall be excused from the Board meeting during the deliberation and vote. If approved, the removal of the Trustee shall be effective immediately unless otherwise provided, and a successor Trustee can be elected at the same meeting.

Section 7: Vacancies

The Board may fill a vacancy in an unexpired term of any elected or ratified trustee occurring through other than the normal expiration of terms at any regular or special meeting. The appointment shall be for the remainder of the term. Any Trustee elected or ratified for the unexpired term of a vacancy shall be eligible to be subsequently elected or ratified to serve two (2) consecutive full terms as Trustee under ARTICLE II - Sections 3 and 4 of these Bylaws.

Section 8: Duties

The Board of Trustees shall approve and determine the general, educational, and financial policies as shall be deemed necessary for the administration and development of the University in accord with its stated purposes. Without limiting the general powers of the Board set forth in ARTICLE II - Section 1 of these Bylaws, the duties of the Board shall include but shall not be limited to the following:

- A. Determine and periodically review the purpose and the mission of the University and establish the policies to implement the mission;
- B. Establish, review and approve changes in the educational programs of the University, consistent with the mission;
- C. Authorize the establishment and discontinuance of all academic programs consistent with the mission;
- D. Select a President who shall be the chief executive officer of the University, approve compensation terms for the President, evaluate the performance of the President annually, and elect any Officers of the Board, and remove them, in accordance with these Bylaws;
- E. Authorize the awarding of all earned and honorary degrees;
- F. Approve policies that relate to the instruction, extracurricular activities, campus and residential life of students;
- G. Approve policies for appointment, promotion, tenure and dismissal of faculty, personnel policies, student policies, and the protection of academic freedom;
- H. Oversee the fiscal affairs of the University, including approval of the University's budget including operating and capital expenditures, supervision of investments, and fixing of tuition and fees;
- I. Authorize the lease, acquisition, management and disposition of property and physical facilities, including the construction of new buildings and major renovations of existing buildings;
- J. Borrow money for the purposes of the University, including the power to issue notes, debentures, bonds or other obligations, in the name of the University therefore and to secure such notes, debentures, bonds or other obligations, by pledge or mortgage of any or all property, real or personal, of the University; and

- K. Generally, do all such lawful acts and adopt all such lawful measures consistent with law and with the Bylaws as the Board shall deem best calculated to promote the interests of the University.

Section 9: Compensation

No Trustee shall receive compensation for his or her services as a Trustee; provided, however, reasonable expenses incurred by a Trustee on account of the University in the course of the performance of his or her duties as a Trustee may be reimbursed in accordance with policies of the University. In no event shall any part of the income of the University inure to the benefit of any Trustee, officer or employee of the University, or to the benefit of any other individual, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or any corresponding provisions of any subsequent internal revenue laws.

ARTICLE III. MEETINGS

Section 1: Regular Meetings

The Board of Trustees shall hold four (4) meetings annually at dates and times fixed by the Chair of the Board after consultation with the President of the University.

Section 2: Annual Meeting

One regular meeting of the Board of Trustees may be held in Raleigh, North Carolina during the Spring at a date and time fixed by the Chair of the Board, after consulting with the President of the University. This meeting shall be known as the annual meeting and shall be for the purposes of electing and ratifying Trustees and electing and installing officers and the transaction of such other business as may be properly brought before the meeting.

Section 3: Special Meetings

Special meetings of the Board may be called by the Chair of the Board, the Executive Committee, or upon the written request of a majority of Trustees with voting privileges.

Section 4: Notice

Written notice of every regular and annual meeting of the Board shall be sent by the Secretary to members not less than thirty (30) days before such meeting by regular mail, electronic mail or facsimile. Notice shall state the date, place, time, agenda and purpose of said meeting.

Written notice of special meetings of the Board shall be sent by the Secretary to

members not less than ten (10) days before such meeting by regular mail, electronic mail or facsimile. Notice shall state the date, place, time, agenda and purpose of said meeting.

Attendance by a Trustee at a meeting shall constitute a waiver of notice, except where a Trustee attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

Section 5: Quorum

A majority of the voting members of the Board then serving shall constitute a quorum for the transaction of business at any meeting.

Honorary Trustees and ex officio members of the Board shall not be counted for purposes of determining a quorum.

Section 6: Participation by Electronic Conferencing

Any one or more Trustees may participate in a meeting of the Board or in any committee or subcommittee meeting by means of telephone, video-conference, or other communications equipment so long as all members are able to simultaneously hear each other during the meeting, and any Trustees participating by such means shall be counted for the purpose of determining a quorum and shall exercise all rights and privileges, including the right to vote, to which he/she is otherwise entitled.

Section 7: Manner of Acting

At all meetings of the Board, each voting member shall be entitled to one vote. Voting by proxy shall not be permitted. Except as otherwise required by applicable law or provided for in these Bylaws, the act of the majority of the voting Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

Voting for Officers of the Board, elected Trustees of the Board, elected committee members, the President of the University, and ratification of Trustees may be by ballot.

Section 8: Action Without Meeting

Action required or permitted to be taken at a Board or committee meeting may be taken without a meeting if written consent to the action in question is signed by all of the Trustees or members of the committee, as the case may be, and filed with the minutes of the proceedings of the Board or committee, whether done before or after the action is taken. Such written consents may be given electronically in accordance with these Bylaws and Section 55A-1-70 of the General Statutes of North Carolina.

Action taken under this section is effective when the last Director signs the consent, unless the consent specifies a different effective date.

ARTICLE IV. FINANCE

Section 1: Finance

There shall be a budget including operating and capital expenditures for the ensuing fiscal year for the University prepared and presented for approval at each annual meeting.

Section 2: Audit

There shall be annual internal and external audits of the financial records of the University.

Section 3: Bonding

The Officers of the University having fiduciary and monetary responsibility shall be bonded.

ARTICLE V. BOARD OFFICERS

Section 1: Officers of the Board

The officers of the Board shall consist of a Chair, a Vice Chair, a Secretary, and a Treasurer. The Board of Trustees may also elect such other officers as it shall deem necessary. Except as otherwise provided in these Bylaws, any additional officers shall have the authority and perform the duties as from time to time may be prescribed by the Board of Trustees

Officers may, with the approval of the Chair of the Board and the President of the University, designate non-Board members to assist in the execution of their office.

Section 2: Election and Terms of Officers

The Officers of the Board shall be elected and installed by the Trustees at the annual meeting. Officers shall serve for a term of one (1) year or until their successor(s) have been elected. Officers shall be eligible for re-election during their unexpired term as Trustees; however, no Trustee shall hold the same office for more than five (5) consecutive terms of one (1) year.

Section 3: Removal

Any officer elected by the Board may be removed at any time by the Board with or without cause.

Section 4: Resignation

Any officer may resign at any time by communicating such resignation to the Board or its presiding officer. A resignation is effective when it is communicated unless it specifies in writing a later effective date.

Section 5: Succession and Vacancies of Office

When a vacancy occurs in the office of Chair of the Board, the Vice Chair shall become Chair until the next meeting of the Board.

Any vacancies among the officers shall be filled at the next duly constituted regular or special meeting of the Board.

Section 6: Chair

The Chair shall preside at all meetings of the Board. The Chair of the Board shall chair the Executive Committee and shall serve as a voting member of the Executive Committee and the Nominating Committee. The Chair of the Board shall serve as an ex officio non-voting member of all other committees of the Board. The Chair shall annually appoint all committees of the Board except the Chair of the Nominating Committee. The Chair, in consultation with the President of the University, shall appoint a Parliamentarian and shall perform the duties customarily adhering to the office. No Trustee other than the Chair shall be authorized to speak on behalf of the Board.

Section 7: Vice Chair

In the absence of or at the request of the Chair, the Vice Chair shall preside at meetings of the Board and Executive Committee and perform such activities and duties incident to the office of Chair.

Section 8: Secretary

The Secretary of the Board shall be responsible for the record of all votes, shall ensure that a record is kept of all meetings, shall ensure that due notice of all meetings of the Board and Executive Committee is given. The Secretary shall communicate actions of the Board and Executive Committee to all proper persons and organizations. The Secretary shall prepare the agenda for all meetings of the

Board with authorization by the Chair of the Board and shall perform the duties customarily adhering to the office.

Section 9: Treasurer

The Treasurer shall provide an account of the financial condition of the University to the Board at the annual meeting and at other such times as the Board may direct. The Treasurer of the Board shall chair the Finance Committee.

ARTICLE VI. BOARD COMMITTEES

Section 1: Standing Committees of the Board

The standing committees of the Board shall be the Executive Committee, the Finance Committee, the Development Committee, the Facilities Committee, the Nominating Committee, the Governance Committee, the Academic and Student Services Committee, the Personnel Committee, and such other standing committees as the Board may designate from time to time.

Section 2: Special Committees of the Board

The Board may authorize such special committees as may be required. At the completion of the task of the special committee, the special committee shall be disbanded.

Section 3: Quorum

One half of all voting members of a committee shall constitute a quorum for the transaction of business by a committee, and the act of a majority of the members of a committee at a meeting at which a quorum is present shall be the act of that committee. The President shall be an ex officio member of all committees of the Board except the Personnel Committee and shall not (i) be counted in computing a quorum or (ii) have the right to vote or hold office.

Section 4: Limitation on Committee Authority

No committee of the Board (including the Executive Committee) shall be authorized to take any of the following actions:

- A. Authorize distributions to or for the benefit of the Trustees or officers;
- B. Approve the dissolution or merger of the University or the sale, pledge or transfer of all or substantially all of the University's assets;
- C. Elect, appoint or remove Trustees, or fill vacancies on the Board of Trustees or on any of its committees;
- D. Adopt, amend or repeal the Articles of Incorporation or Bylaws;

- E. Elect or remove the President; or
- F. Take any action inconsistent with a prior act of the Board or any action which has been reserved by the Board.

Section 5: Executive Committee

The Executive Committee shall be chaired by the Chair of the Board and shall consist of the officers of the Board and the elected chair of the Nominating Committee. Two at large members can be appointed by the Chair.

Except as otherwise provided herein, the Executive Committee shall meet at least quarterly. The time, place and date of the meetings shall be set by the Chair of the Board.

The Executive Committee shall exercise all powers of the Board at such times as the Board is not in session, except that it shall not have the power to alter or revoke any previous action of the Board taken at any annual, regular or special meeting of the Board unless specifically granted such power by the Board, and it shall not have the power to convey or encumber real estate, elect or remove officers of the Board, elect or remove the President of the University, or amend the charter or Bylaws of the University.

Section 6: Finance Committee

The Finance Committee shall consist of the Treasurer, who shall be the Chair of the Finance Committee, and members appointed by the Chair of the Board. The duties of this committee are:

- To present the annual capital and operating budgets for the University with its recommendations to the Board;
- To consider all request for approval of expenditures or the incurring of obligations which are not included in the annual budget and make recommendation to the Board;
- To establish investment policies for the University;
- To establish requirements for appropriate fidelity bonding of such officers and employees and in such amount as deemed advisable; and
- To review quarterly reports of the University's financial condition and affairs.

Additional duties of the Finance Committee have been delegated to the following subcommittees: The Investment Subcommittee and the Audit Subcommittee.

A. Investment Subcommittee

The Investment Subcommittee shall consist of a Chair and members of the Finance Committee appointed by the Chair of the Board. The duties of this subcommittee are:

- To recommend University investment policies for approval by the Board;

- To manage University investments, including in its endowments; and
- To recommend to the Board the determination of the annual distributions of its endowed funds.

B. Audit Subcommittee

The Audit Subcommittee shall consist of a Chair and members of the Finance Committee appointed by the Chair of the Board. The duties of this subcommittee are:

- To examine annually all funds over which the Board has direct or supervisory control; and
- To confer with the University's auditor as needed.

Section 7: Development Committee

The Development Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To develop and promote policies and plans for achieving the financial support required to realize the educational and physical development objectives of the University, including the communications and public relations thereof;
- To review and recommend to the Board policies, programs and leadership for fundraising from alumni, Church and the public;
- To coordinate and evaluate the major fundraising and public relations committees in their endeavors to fulfill approved University policies and plans; and
- To assume the major responsibility in trying to increase the awareness of the University, its works, hopes and aspirations, by The Episcopal Church generally including, specifically, its national organization, its Dioceses, its other organizations, its individual churches and its individual members.

Section 8: Facilities Committee

The Facilities Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To evaluate the conditions of physical facilities, grounds, the needs for and use of equipment, and space allocation and to report on and make recommendations, at least annually, concerning the conditions and required maintenance;
- To recommend the retention of campus planners, architects, plant consultants, and contractors as required; and
- To study and recommend to the Board a master campus plan continuously updated so as to reflect educational goals and financial needs and projections as coordinated with appropriate Board committees;

Section 9: Nominating Committee

The Nominating Committee shall consist of a Chair, nominated by the Board Chair and affirmed by a majority of the voting members of the Board then in office, and members appointed by the Chair of the Board. The duties of this committee are:

- To maintain a trustee candidate list to identify individuals best able to serve the University at the trustee level;
- To present to the Board nominations for membership on the Board and a slate of officers of the Board and the Nominating Committee as required by these Bylaws; and
- To receive nominations for honorary degrees from the President of the University and any other source and refer them to the Board with recommendations thereto.

Section 10: Governance Committee

The Governance Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To review the Mission, Bylaws, Policies, and Procedures of the University on an annual basis;
- To receive and evaluate recommendations for changes in the governance documents of the University;
- To present to the Board the Committee's recommendations for revisions to the governance documents of the University; and
- To continually assess and appraise Board organization, operation, membership, and attendance to assure maximum effectiveness and to make such recommendations from time to time as, in the Committee's judgment, will accomplish the objectives of the Board;

Section 11: Academic and Student Services Committee

The Academic and Student Services Committee shall consist of a Chair and members appointed by the Chair of the Board. The duty of this committee is:

- To appraise periodically the regular and special educational programs and activities of the University, including athletics; and
- To continually assess and appraise the non-academic aspects of student life and student personnel policies.

Section 12: Personnel Committee

The Personnel Committee shall consist of a Chair and members appointed by the Chair of the Board. The duties of this committee are:

- To ensure that performance, salary, and compensation matters affecting the

President shall be reviewed and appropriately acted upon by the Board at least on an annual basis;

- To establish an *Evaluation of Performance System* for the President which will provide a performance review, not later than the annual meeting of the Board;
- To make recommendations to the Board of Trustees based on the evaluation of the annual performance review on salary and compensation adjustments for the President during the annual meeting of the Board of Trustees with such adjustments, if any, to be effective on July 1; and
- To perform such other duties related to performance, salary, and compensation matters for the President.

ARTICLE VII. ADMINISTRATION

Section 1: President

The Board of Trustees shall select a President who shall be the Chief Executive Officer of the University. The President is charged with the supervision and direction of the University's administration on behalf of the Board and, except as limited by the Board and by law, exercises all of the business powers of the University. The President shall also be an ex officio member of the Board and all committees of the Board except the Personnel Committee for so long as serving as President.

The President shall be responsible for, though not exclusively confined to, the following:

- Prompt and effective execution of all resolutions, policies, rules, and regulations adopted by the Board;
- Formulate and recommend to the Board policies, programs, and plans for the educational, financial, and physical development of the University;
- Make all nominations of administrative officers and faculty members for appointment to the University, and all recommendations for their salaries, promotions, or dismissal in accordance with approved policies and procedures;
- Make all determinations for admission to; success or failure in completion of courses in; disciplinary actions, including but not limited to probation, suspension, or expulsion for students from the University;
- Establish a management organization to carry out effectively the policies of the University;
- Ensure that the University is properly staffed with personnel competent to discharge their responsibilities and to carry out said policies effectively;
- Provide adequate opportunities for the development and advancement of personnel;
- Prescribe the specific duties and assignments of the principal officers reporting to the President and establish and define the duties of committees to advise and assist the President in the execution of the President's duties;
- Administer the financial affairs of the University and all records thereof;

- Review the annual expenditures for the University, as prepared by the administration, and present the same with recommendations to the Board;
- Prepare and present to the Board through the Finance Committee, the proposed budget for the ensuing fiscal year and see that the adopted budget is carried out;
- Make recommendations to the Board for the awarding of all earned and honorary degrees;
- Serve as the chief spokesperson of the University to its constituencies and affiliates;
- Take leadership in obtaining support for the University from all possible sources;
- Prepare and submit to the Board an annual report and other such reports as deemed appropriate and necessary and as the Board may require;
- To recommend to the Board such action as deemed advisable to improve the financial condition of the University;
- To develop and recommend policies and programs for financing of benefits for faculty, staff, and students; and
- To oversee authorized plant construction and physical improvements.

Section 2: Channel to the Board

All official communication from the faculty, student, staff, or executive officers of the University shall be presented in writing to the Chair of the Board or through the President.

Section 3: Selection and Term

The selection of the President shall be by the affirmative vote of two-thirds (2/3) of the voting members of the Board present at any regular or special meeting of the Board. Termination of such appointment shall be by the vote which was required for selection.

Section 4: Delegation

The President may delegate specific responsibilities to a duly authorized representative only in accordance with policies and procedures set forth in the authorized documents of the University.

ARTICLE VIII. AMENDMENTS

The Bylaws shall be amended by the affirmative vote of two-thirds (2/3) of the Trustees present and voting at any regular or special meeting of the Board.

Any proposed amendment shall be published to Trustees at least thirty (30) days prior to the meeting at which such amendment will be considered. Bylaws

amendments shall become effective immediately upon adoption.

ARTICLE IX. POLICIES AND PROCEDURES

The Board shall adopt and promulgate policies and procedures. Policies and procedures shall become effective immediately upon adoption by a majority vote of the voting members of the Board present at any annual or regular meeting.

ARTICLE X. CONFLICT OF INTEREST

No person invited to join the Board of Trustees shall accept nomination, election or ratification thereto where such person has a direct or indirect conflict of interest because of financial, contractual or similar factors that will prohibit such person from discharging the responsibilities of a Trustee to the Board.

In cases where a Trustee has any direct or indirect conflict of interest with regard to any transaction contemplated by the Board due to the Trustee's personal, financial or legal interests, the Trustee shall inform the Board of such conflict. Pursuant to the provisions of Section 55A-8-31 of the General Statutes of North Carolina, the Trustee with a conflict of interest may participate in the discussion, but may not vote on the transaction. The transaction is authorized, approved or ratified by the vote of a majority of the Trustees in office who have no conflict of interest (which must be more than one Trustee) and when a majority of Trustees who have no conflict of interest so vote, a quorum is deemed to be present at the meeting for purposes of that vote. The Board may adopt further policies and procedures regarding conflicts of interest not inconsistent with those of this ARTICLE X.

ARTICLE XI. INDEMNIFICATION

Section 1: General Policy

It shall be the policy of the University to indemnify to the maximum extent permitted by Chapter 55A of the General Statutes of North Carolina any one or more of the Trustees, officers, or employees and former Trustees, officers, or employees of the University, and persons who serve or have served at the request of the University as directors, officers, partners, trustees, employees or agents of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, against judgments, penalties, settlements and other liabilities incurred by them in connection with any pending, threatened or completed action, suit or proceeding, whether civil, criminal, investigative or administrative (a "proceeding") and against reasonable costs and expenses (including attorneys' fees) in connection with any proceeding, where the liabilities and litigation expenses were incurred incident to the good faith performance of their duties, including when relying in good faith on information, data,

reports, and financial information provided by University officials, counsel, financial advisors and other professionals or experts.

Section 2: Use of Corporate Funds

The University may advance expenses in connection with any proceeding to any such person in accordance with applicable law. The use of funds of the University for indemnification or for the purchase and maintenance of insurance for the benefit of the persons designated in Section 1 of this Article shall be deemed a proper expense of the University.

ARTICLE XII. CORPORATE SEAL

The seal of the Corporation, which shall be affixed to official documents, shall have inscribed the name of the University, the year of its founding and the motto. The University Seal shall be held by the President of the University.

ARTICLE XIII. ELECTRONIC TRANSACTIONS

The University may conduct any transaction by electronic means, including, without limitation, taking any action without a meeting pursuant to Section 8 of Article III of the Bylaws. This provision shall constitute the agreement by the University and the Trustees to conduct transactions by electronic means, so that the Trustees can, among other things, consent to an action taken without a meeting by email and other electronic means.

ARTICLE XIV. PARLIAMENTARY AUTHORITY

All procedures and meetings of the University not specifically prescribed herein shall be governed by Robert's Rules of Order (latest edition), subject to modification by the affirmative vote of two-thirds (2/3) of the Trustees present and voting at any regular or special meeting of the Board.